

# Mr Foot's compromise eases crisis over Labour right wing

Mr Foot, leader of the Labour Party, yesterday persuaded Mr Wedgwood Benn to withdraw a motion which in effect demanded a pledge of loyalty from right-wingers, including Mrs Williams. Nevertheless, she opposed Mr Foot's successful compromise motion because it involved accepting the present party programme.

## 'Loyalty' resolution withdrawn

By George Clark  
Political Correspondent

Taking a realistic view of the prospect that the Labour Party will break up into dissident factions if order is not restored, the party national executive yesterday to patch up the differences between the battling left and right-wing groups.

Mr Michael Foot, the leader, tried to set a compromise as a national executive meeting that lasted about four hours. With the support of Mr Denis Healey, the deputy leader, he had some success and Labour MPs last night said the result was a "draw".

Mr Wedgwood Benn, now a member of the Shadow Cabinet as a result of Mr William Rodgers's resignation, was persuaded to withdraw a long resolution which, in effect, demanded an oath of loyalty from dissident right-wingers.

Mr Benn wanted that to support the manifesto which will be presented at the next general election and called on "all individual and affiliated members of the party to endorse this call personally and to seek support for it in all constituencies".

Mr Foot offered a compromise resolution which declared that the executive reaffirmed its determination to work together for the return of a Labour government committed to traditional socialist principles and to parliamentary democracy.

That reassured the role of Labour MPs in deciding the terms of the next manifesto, but it went on to ask for all members of the executive, MPs, candidates, and councillors to endorse the programme, principles, and policies of the Labour Party.

Mrs Shirley Williams agreed with the method of drawing up the manifesto, but jibbed at the idea that she and her friends would go into the next general election to "fight for the programme" of the Labour Party. She made clear that she disagreed with many items in that programme.

Mrs Williams is a leading personality among those who are launching the new social democratic group in protest at the extreme left-wing group, she was permitted to operate as a party within a party she did not see that anyone had any right to ask her any questions at all.

Mr Foot then challenged her. He said the real issue was whether she was forming another political party.

Mr Roy Jenkins had clearly stated that that was the objective, Mr Foot said. "If you are engaged in such a proposition, those of us who are staying in the party would fight it tooth and nail."

Mr Benn tried to force Mrs Williams into a declaration that she was leaving the party. "I say directly to Shirley, it is a matter of morality," Mr Benn said, "and we have the right to ask you that straight question."

Mrs Williams replied defiantly, again referring to the free reign given to the extreme left-wing groups. "You will only get that answer when you put that question to all groups in the party."

The resolution, which also referred to the crisis of unemployment caused by the Government's policies, was passed by a majority. Votes were not recorded.

Another crucial issue before the NEC concerned the procedure to be followed by constituency Labour parties in the process of compulsory reselection of MPs and candidates for the next general election.

The model rules for constituency parties to follow in the reselection process had been submitted by the party's organization committee. It was decided to send them back to the committee for further consideration.

Mr Dennis Skinner, MP for Bolsover and a member of the NEC, said after the meeting: "Shirley Williams is living on the immoral earnings of the Labour Party."

A Staff Reporter writes: Mrs Williams said last night: "I did not know the Labour Party had immoral earnings. I am amazed to hear it has."

"No need for change," Sir Harold Wilson, in an article in the Liverpool Daily Post today writes that there was no need to change the leadership election procedure at the recent party conference at Wembley (the Press Association reports). "It was good enough to elect Clement Attlee, Hugh Gaitskill, and the rest of us."

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various items in Labour's present night. Lord George-Brown, a former Labour Cabinet minister, announced that he had become president of the Social Democratic Alliance, the organization proscribed by the party, and quite separate from the new grouping.

At yesterday's NEC meeting, Mrs Williams was supported in her arguments by Mr Tom Bradley, Labour MP for Leicester, East, and they both refused to vote for the compromise.

Mrs Williams moved an amendment to delete the reference to the party programme.

Welcoming the fact that Mr Benn had dropped what she called the "loyalty oath", she said that her 34 years' membership of the party should be sufficient guarantee of her devotion to the socialist cause.

She said she wanted to "nail her colours to the mast". She was opposed to any suggestion that Britain should withdraw from the EEC and to unilateral nuclear disarmament.

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Political storm likely over challenge to BL just days after £990m aid is agreed

## Datsun wins approval to build first car plant in Britain

By Peter Hill  
Industrial Editor

Nissan Datsun, Japan's largest car makers, is to establish a manufacturing plant in Britain. The company, whose plans have received the approval of the Government, is expected to announce its scheme in more detail later today. It will involve the construction of a new factory on a "greenfield" site and will almost certainly be located in an assisted area, where companies enjoy Government finance in the form of cheap loans and grants.

Nissan's announcement is expected to be followed by a Government statement to Parliament. It is bound to provoke enormous controversy, since it comes within three days of the Government agreeing to provide almost £1,000m to British Leyland to cover the first two years of the group's latest recovery plan.

Nissan has been making detailed studies of prospects in the European market despite the fact that Japanese car manufacturers have been under strong attack over the imports they have made into the European market.

Talks are taking place in Tokyo between EEC officials and representatives of the Japanese government aimed at securing Japanese agreement to curb exports of "sensitive items" to the EEC. Fears have mounted in Europe about the effect of Japanese exports on employment in the community.

A Nissan plant in Britain would mark a departure by the Japanese companies who, until now, have either shipped cars direct from Japan or have entered into collaborative ventures with European manufacturers. The recent link up between BL and Honda, under which BL will assemble the Triumph Acclaim, was the first venture by the Japanese in the United Kingdom.

Discussions have been taking place between the British Government and Nissan for some months. The possibility of the company making cars in the United Kingdom—and thus providing it with an important springboard into the EEC market—was discussed last year during a visit to Britain by a Japanese trade mission.

Government endorsement of the project is bound to provoke a major parliamentary storm since it is, apparently, Nissan's intention to produce medium-sized cars which will compete directly with the LC 10 range which BL is planning to launch in about two years time. BL has earmarked much of the £990m to this project.

If, as expected, Nissan decides to locate its new plant in one of the assisted areas it will provide a much-needed boost to employment. The recession is leading to widespread redundancies and short time working throughout the motor industry and among the companies supplying components.

The Nissan scheme seems certain to compromise a new round of discussions between the Japanese car manufacturers and their European counterparts which take place in Lisbon early next month. Japanese companies have already agreed to another year of voluntary restraint.

Last year their share of the market rose from 10.78 per cent to 11.9 per cent. A sales freeze by Nissan in the United Kingdom which is the largest Japanese exporter to Britain, helped to curb the market share, but it remained higher than expected.

The Society of Motor Manufacturers and Traders has made it clear that it wants to secure agreement at the forthcoming talks in Lisbon on the size of the United Kingdom market this year which is expected to be at least 7 per cent on last year's levels.

Against that background, Renault of France has given a warning to the Belgian government that it will reduce its investment and operations in that country if imports of Japanese vehicles are left unchecked. Yesterday BL announced that it was closing its plant at Seveff with the loss of 2,500 jobs.

But after the freeze on sales by Nissan towards the end of last year, Japanese car exports to the United Kingdom in the first 10 days of this month accounted for 15 per cent of total sales.

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## Lonrho bids for Fraser as chairman is dismissed

By Philip Robinson  
Financial Staff

Sir Hugh Fraser was dismissed as chairman of the House of Fraser yesterday during a board meeting at which Mr Roland "Tiny" Rowland, his new ally, launched a £150m takeover bid for Britain's largest stores group, whose properties include Harrods.

The bid has been rejected by the majority of House of Fraser directors. Professor Roland Smith, Sir Hugh's successor, appointed £50,000 a year non-executive deputy chairman last August, said: "It is far too cheap."

Sir Hugh's departure was announced by Professor Smith in a short statement after the meeting. Flanked by two lawyers, he said: "I have a very short and simple announcement to make. A meeting of the board of directors of the House of Fraser was held today. Professor Roland Smith was appointed chairman of the company in place of Sir Hugh Fraser. The voting was 12 in favour, two against, one abstention, and one absent."

Mr Peter Humphries has been appointed deputy chairman. Details of the board meeting are confused, but it is understood that at the 10 am start, Mr Rowland said Lonrho owners of 29.94 per cent of Fraser, would bid 150p a share on condition that Sir Hugh stayed as chairman.

The directors asked for an announcement which lasted about an hour while they considered the bid. They contacted Cazenove their stockbrokers, asking for the shares to be suspended on the stock market, but were advised to wait until after the announcement, the never was suspended. S. G. Warburton, Fraser's merchant bank advisers said: "Reject all offers and do not move."

On resumption of the meeting, the directors decided to go on with their vote on Sir Hugh. Mr Rowland informed them that despite this he intended to go ahead with the takeover bid.

For almost 75 minutes the board debated, who would replace Sir Hugh. Mr Ernest Sharp, brought in with Professor Smith last year, was apparently an alternative choice, but he declined to be considered.

It is understood that he is unhappy with the internal politics. Professor Smith was proposed, but even then 11 of the 15 directors voted against his becoming an executive chairman.

Continued on page 19, col 4



Photograph by John Manning  
Sir Hugh Fraser (right) shakes hands with Mr Roland "Tiny" Rowland after the meeting.

## South African election called 18 months early

From Nicholas Ashford  
Johannesburg, Jan 28

South Africa is to hold a general election among white voters on April 29, 18 months earlier than is necessary under the constitution.

Confirming persistent speculation that an early poll was planned, Mr Pieter Botha, the Prime Minister, speaking during the third day of the no confidence debate in the Cape Town Parliament this afternoon, said he placed himself and his government "in the hands of the country with faith".

He added: "I know that they, like us, want to maintain security and progress."

The present session of Parliament, which opened only last Friday, will be dissolved in June, a month after approving a mini-budget which will see the country through until the post-election Parliament is installed. Nomination day has been fixed for March 23.

Mr Botha said his reason for calling an early election was because some 30 parliamentary and provincial by-elections were due in the near future.

The by-elections have been necessitated by the transfer of 12 MPs to the new multiracial President's Council, last August's Cabinet reshuffle and a recently-completed round of constituency delimitations.

It would have been a waste of energy for the country and the political parties to hold so many by-elections and then a general election later on, he said.

However, it is clear that a number of other factors have prompted the Prime Minister to go for an early poll. Principal among them is the strife within the ruling National Party between Verwoerds (conservatives) and Verligtes (reformists) over Mr Botha's plans for constitutional change and other cautiously reformist measures.

Commenting on the election announcement Mr Frederick Zyl Slabbert, leader of the official Opposition Progressive Federal Party (PFP) said Mr Botha wanted to divert attention away from his party's internal difficulties.

Mr Vause Raw, leader of the middle-of-the-road New Republic Party (NRP), said the election was "phony". There can be little doubt that Mr Botha was concerned that disgruntled right-wing nationalists Afrikaners might have used the spate of by-elections to embarrass the government by voting for the extreme right-wing Herstigte Nasionale Party (HNP).

By holding a general election, on the other hand, Mr Botha clearly hopes to sweep even the most disillusioned National Party supporters behind him as he rallies the country to stand up to the "racial onslaught" being directed against it by the Soviet Union, black Africa and the United Nations.

Another reason is that he wants a clear mandate for his government's policies rather than continuing to rely on the mandate won by his predecessors. Mr John Vorster, in the 1977 general election.

Having won the endorsement of the electorate he will then be able to confront the powerful Verkrampste faction within his party, led by Dr Andries Treurnicht, Minister of State Administration and leader of the party in the Transvaal, which has been trying to block Mr Botha's proposed reforms.

The most important of these reforms takes effect next week when the new President's Council (comprising whites, Coloureds and Indians, but not blacks) begins sitting to consider future constitutional developments in the country.

Although the council has only advisory powers it is the first time a multiracial institution of this kind has been established in South Africa. Spy arrested: Security police have arrested a Soviet national on charges of spying in South Africa for the KGB, Mr Botha told Parliament in Cape Town today. The Prime Minister named the alleged spy as Major Alexei Mikhailovich Kozlov, a senior officer in the KGB.

Mr Botha described the arrest as an event of utmost importance for the national security. —AFP.  
Leading article, page 15

## Britain has lowest strike total since 1941

By Frances Williams  
Economics Staff

Britain had fewer strikes last year than in any year since 1941. Only 1,262 strikes were recorded, less than half the average for the previous 10 years and well below the 2,080 strikes in 1979.

The number of working days lost through stoppages was, however, boosted by the national steel strike early in 1980. This strike accounted for three-quarters of the days lost.

Department of Employment figures published yesterday also show that Britain's recent strike record belies the popular belief that it is exceptionally strike-prone, compared with other industrial countries. Canada, the United States and Australia experience more strikes than the United Kingdom.

The 1,262 strikes arising from industrial disputes in 1980 is the lowest total for 39 years and compares with an average of 2,598 for the preceding decade.

About 11,910,000 working days were lost as a result, less than the average for the previous 10 years (12,870,000) and only 40 per cent of the 1979 total of 29,474,000.

Just six big strikes accounted for nearly 9.5 million working days lost in 1980. The 13-week national steel strike, from January 2 to April 2, accounted for 8.8 million days lost—74 per cent of the total.

But in the second half of 1980 the number of days lost was the lowest since 1966.

There were fewer strikes in all industries except agriculture, forestry and fishing than in the previous year, though five strikes lost more working days: metal manufacture (as a result of the steel strike), agriculture, forestry and fishing, coal mining, chemicals and port and inland water transport.

International comparisons, published in the January issue of the Department of Employment Gazette, show that Canada, the United States, Australia and West Germany all lost more working days through strikes (per 1,000 employees) than the United Kingdom in the five years 1975-1979. But among EEC countries, only Italy and the Republic of Ireland had a worse record.

## Minister tries to allay Nationality Bill storm

By Hugh Noyes  
Parliamentary Correspondent

The British Nationality Bill was given a stormy reception yesterday when it came before the Commons for its second reading.

Mr Roy Hattersley, Labour's spokesman on home affairs, denounced the Government's proposals for a new nationality law as racist and discriminatory against women and pledged that the Opposition would oppose the Bill at all its stages.

In the Opposition's view this was not a nationality bill but an immigration control bill. He suggested that 90 per cent of its proposals worked to the disadvantage of the black community.

But, while Mr Hattersley was echoing the bitter criticism that has come from church leaders and ethnic minority groups, Mr William Whitelaw, the Home Secretary, gave a promise that where a case was made for changes to allay these fears, that would be considered by the Government as the legislation progressed.

The Bill, which creates three new categories of citizenship, has been attacked because of the fears it would raise among the ethnic minorities, who would not know where they stood under "this nightmare of bureaucratic complication".

Mr Whitelaw, however, while recognising that citizenship was a sensitive matter about which people felt strongly, claimed that many of the fears expressed were wholly misplaced. He could not understand how clauses one and two could be described as racially discriminatory.

Clause one stated that a child born here would be a British citizen at birth only if one of his parents was a British citizen or was settled here.

That provision took account of the increasing numbers of children born to visitors, students and others who were citizens of the United Kingdom.

Late on Tuesday night tables, chairs, bookcases, and other furniture were smashed and windows broken by the prisoners who have been put back into unfurnished cells. There were allegations that some of them were assaulted.

The men were among those who had given up smearing cell walls with excrement, although they were still refusing prison issue clothing.

The H-block committee in Belfast said last night that the whole issue, which originally started over demands for political status, was "slipping back to square one".

The committee accused the Government of intransigence and inflexibility in implementing improvements in conditions, expectations of which had led to the ending of the original hunger strike, and said that a new strike was possible.

Mr Joseph Austin, for Sinn Féin, also said last night: "The whole atmosphere is extremely dangerous. The men are talking about another hunger strike."

Tension has been increasing in the H-block since the weekend, when 20 of the men were refused permission to wear clothing brought to the prison by relatives.

Later last night the H-block information centre in Belfast said it had heard that many of the 96 prisoners had been assaulted while being moved to other cells and that one prisoner had suffered what appeared to be a heart attack.

## H-block hunger strike threatened after republican prisoners go on rampage

From Craig Seton  
Belfast

A new hunger strike over the H-block in Northern Ireland's Maze prison was threatened yesterday after 96 republican prisoners smashed furniture and windows in clean cells they moved into only two weeks ago.

It was the most serious incident in the uneasy approach to an attempted settlement of the H-block issue since the 53-day hunger strike by seven republican prisoners ended in mid-December.

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## Brussels orders inquiry into £990m BL aid

The government grant of £990m to British Leyland announced earlier this week is to be delayed for two months while the European Commission examines its compatibility with the EEC's fair trade rules.

Martens, the Belgian Prime Minister, has appealed to Mrs Thatcher to postpone BL's decision to close its Belgian assembly plant at Seveff.

## Muslim states drop Afghan insurgents

Islamic Conference nations, meeting in Saudi Arabia, have asked the United Nations to appoint a special representative to mediate between Afghanistan and her neighbours. The initiative effectively means that the Muslim states have abandoned the Afghan insurgents who are fighting the Soviet occupation troops. No criticism was made of Russia.

## Mr Haig rules out arms supply to Iran

Mr Alexander Haig, the Secretary of State, ruled out any supply of arms to Iran. Arms ordered before the seizure of hostages would be sold elsewhere and the money returned to Iran. He refused to commit himself about a possible new American trade embargo remarking that there were additional American hostages in Iranian hands. But he expected Washington to fulfill its obligations to Iran in accordance with the law.

Safety of drugs: Simplified drug testing before trials on humans is proposed by the Committee on Safety of Medicines.

Poisoning threat: Action to protect rare birds of prey from poisoned bait is vital the Royal Society for the Protection of Birds says.

Spain: "Work to rule" by air traffic controllers and temporary stoppages by railwaymen disrupt communications.

Classified advertisements: Personal pages 26, 28; La crème de la crème, 25; Appointments, 20; Recruitment opportunities, 26.

Obituary 17; TV & Radio 27; Parliament 9; Theatres, etc 27; Sale Room 17; 25 Years Ago 27; Science 17; News reports 17; Weather 10, 11; Wills 17.









Russian armour entering Kabul.

# Next?

Will Russian tanks roar across the plains of Germany?

Will crises erupt somewhere so remote we all have to scour maps to find out where it is?

Will one of our NATO allies call for moral support on its borders?

Will we be asked to join an international peace-keeping force to separate the sides in a civil war?

Frankly, your guess is as good as ours.

The world is so unstable it could go critical at any time without so much as a warning light.

This is why we have made the Army much more mobile.

And why we always try to recruit the type of young man who can add calmness and good humour to a tense situation.

Now we need another 900 young Officers whom these men will follow, if necessary, to the ends of the earth.

## A job with no guarantee of success.

You may well argue that your joining the Army would not have saved one life in Afghanistan.

We would go further, it might not save anyone's life, including your own.

On the other hand, it might.

It might, if enough like-minded men join with you, help to prevent a

nuclear war.

And it might, just might, hold the world together long enough for the powers of freedom and sweet reasonableness to prevail.

Some hopes?

Perhaps. But the alternative is no hope at all.

## Hoping for the best, preparing for the worst.

Your part in this will be to prepare for a war everyone prays will never happen.

Depending on the job you choose, you will rehearse battle tactics in Germany.

Confront heat in Cyprus, Belize or Hong Kong.

And heat of a different sort in Northern Ireland.

You will practise, repair, train and try to forge links with your men that will withstand fire.

Occasionally, you may be asked to clamber into a VC10 on the way to, well, somewhere like monitoring a cease-fire in Rhodesia.

But more often, the worst enemy your men will face will be boredom, when it will take all your skills as a teacher and manager to motivate them.

Then it will be difficult to remember that you are still protecting your

country and all you love most.

## An easy question to dodge.

The question is, are you prepared to take the job on for three years or longer?

No one will accuse you if you don't.

Women won't send you white feathers and children won't ask what you did in the war.

All we ask is that every young man at least takes the question seriously and answers it to the satisfaction of his own conscience.

This way we are bound to get our 900 new Officers.

If you are undecided but want to take the matter a stage further without committing yourself in any way, write to Major John Floyd, Army Officer Entry, Department A10, Lansdowne House, Berkeley Square, London W1X 6AA.

Tell him your date of birth, your educational qualifications and why you want to join us.

He will send you booklets to give you a far larger picture of the life and, if you like, put you in touch with people who can tell you more about the career.



## Army Officer



## Mr Whitelaw considers streamlining system of remands in custody

By Peter Evans  
Home Affairs Correspondent

Mr William Whitelaw, Home Secretary, is thinking of streamlining the system under which people remanded in custody by magistrates have to be produced in court once every eight days.

Soundings about a possible change are expected to be taken of interested organizations. As an emergency measure during the prison officers' dispute, Parliament waived the requirement for personal appearance in court by the accused during his period on remand in custody.

Last night the National Association of Probation Officers said they would be very concerned if Mr Whitelaw were to introduce such a measure permanently. They strongly opposed it being introduced temporarily during the dispute, fearing it would remove a safeguard against abuse and injustice.

More than 40,000 people were remanded in custody by magistrates' courts in 1979. A survey has been made of 56 magistrates' courts during the officers' dispute, which was introduced in section 2 of the Imprisonment (Temporary Provisions) Act, 1980.

Lord Belstead, Under Secretary of State at the Home Office, told the House of Lords on Tuesday night that the effect of the ordinary law should be restored when practicable.

He acknowledged that misgivings had been expressed, but added: "If in its practical application section 2 has had

effects which have worked to the disadvantage of defendants I must say that they have not become evident to the Home Office."

The Home Office said last night that prisoners remanded in custody were in normal circumstances produced on weekly remand. Once they had had their criminal proceedings, they were remanded to appear before the Crown Court at a given date.

Section 2 was introduced because prison officers in dispute over the meal-break pay issue were refusing to admit prisoners from magistrates' courts. Numbers in police cells were increasing as a result.

The appearance of a prisoner on remand every eight days is widely acknowledged to be expensive.

Mr Geoffrey Norman, secretary of the Magistrates' Association, said last night that if magistrates could remand for more than eight days in appropriate cases, it would be welcomed provided there were appropriate safeguards. It would save manpower, court time and reduce security risks.

Mr Richard DuCann, QC, chairman of the Bar, thought that, with proper safeguards, some form of streamlining the present procedure would be a perfectly tolerable step to take.

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## Drug safety testing may be simplified

By a Staff Reporter

Proposals to simplify safety testing of drugs before limited trials can begin in humans have been drawn up by the Committee on Safety of Medicines.

Complaints have been made that British tests are too stringent and that drug companies have transferred their investment from Britain.

Under the proposals, which are being circulated by the Department of Health, animal toxicity tests must still be carried out, but animal tests to show that drugs do not cause birth defects or affect fertility will not be needed before early, very limited, clinical trials can begin.

Instead the proposals will allow trials normally involving not more than 30 patients for up to ten days before such tests are completed, on condition that women of child-bearing age are excluded.

The animal tests on fertility and birth defects may be run in parallel, and more information will be required as the clinical trials increase in scale.

A new test to ensure that the drug does not cause bacterial mutations, which may indicate a cancer risk, is also to be required before any clinical trials start.

The idea is to give drug companies the chance to find out earlier if a new compound is worth pursuing.

At present they complain that requirements can mean a drug goes through extensive and expensive animal testing to prove its long-term safety before it can be used in short-term trials in humans.

The committee on safety of medicines emphasized yesterday that the new requirements would not mean any increased risk to patients.

A covering letter says ministers accept that drug companies are making more clinical trials overseas and that research and development of drugs in the United Kingdom have probably suffered.

The committee on safety of medicines emphasized yesterday that the new requirements would not mean any increased risk to patients.

## Scheme to reduce rates for ordinary shopkeepers to preserve character of the community

### Soho sex establishments proliferate despite promises

By Michael Horsnell

A new sex shop will open soon in Brewer Street, Soho, on the spot where until last week the House of Hamburgers dispensed the oak-smoked kippers that made it one of the best-loved delicatessens in London's "gay" village.

It will become the 164th "sexploitation" establishment in an area of less than one square mile and will hammer another nail into the theory that the local authorities responsible for Soho are taking a strong line on curtailing the proliferation of pornography.

In response to clean-up promises made in the Conservative draft manifesto for the Greater London Council elections in May, the preservationist Soho Society claims that 100 of the cinemas and sex shops do not have planning permission to operate as they do.

Mr Leslie Hardcastle, the society's chairman, said yesterday: "Existing controls just do not work and will not work. We are not Mary Whitehouse and we have tried to be tolerant. But it is the exploiters who have been intolerant. The time has come for a radical new approach."

In two moves announced yesterday, the Soho Society will encourage ordinary shopkeepers to demand a rates reduction, and press for legislation to force sex establishments to register with a new government body which would control the way they operate.

Mrs Lois Peltz, an independent councillor who represents Soho on Westminster City Council, said: "We want the kind of controlling agency like the Gaming Board which regulates casinos, to be established to watch over the sex shops and cinemas, not only in Soho, but



Mrs Lois Peltz, a Westminster councillor, outside one of Soho's 164 sex establishments.

throughout the country. In the present state our laws are inadequate to protect us. Current arrangements are ludicrous, and so are the fines when anyone is convicted of breaking the law."

An important cause of the present difficulties is the confusion of authorities. The planning authority is Westminster, which also has powers to license saunas and massage parlours, but entertainment licences are the responsibility of the GLC. The enforcement of

the obscenity laws is the job of the Metropolitan Police, and drink licences are a matter for the magistrates.

Moreover, the GLC's powers to control so-called entertainment means breaking the law and when they do often the ownership has changed hands.

As the law stands a restaur-

ant can be prevented from becoming a fish and chip shop, but not a sex shop.

A private member's Bill, introduced by Mr Timothy Sainsbury, Conservative MP for Hove, aimed at outlawing indecent displays from shop windows and newsagents' counters, has its second reading tomorrow.

Mr Sainsbury said: "There may be efforts to attach legislation on cinemas to my Bill in committee, but we have to wait and see. I think the Soho

Society has a real problem, so far as registering cinema is concerned there seems to be scope for legislation. It is certainly something worth examining. Sex shops may be more difficult to cover. You do not want Boots to have a special licence because they sell contraceptives."

The Home Office confirms that no legislation is planned for the kind of control proposed by the Soho Society. The report of the Williams committee on obscenity, published 11 months ago, remains under consideration.

Three years ago Mr Bernard Brook-Parker, now chairman of the GLC, declared war on the illegal pornography merchants. Yesterday he said "The Soho Society is right; that the law has been totally inadequate and impossible to implement. But yet another quango is not going to produce the answer."

"The Soho Society is taking a sledgehammer to crack a nut. A simpler way to deal with the problem, which would be to require legislation, would be to make private cinema clubs amenable to the same general licensing law as the public cinemas are."

Soho now has only 2,900 residents compared with 6,000 25 years ago. Greedy landlords, forcing up the rents in order to push out the multitude of shopkeepers and craftsmen have helped cause the exodus.

Mr Hardcastle said: "We want to put pressure on Westminster City Council to reverse the trend by reducing the rate on ordinary shopkeepers or else Soho is going to die as a community."

## Concorde expected to be in service for 35 years

By Kenneth Owen  
Technology Editor

British Airways is likely to continue operating the Concorde airliner for a further 30 years if the rate of wear remains at about the present level, a Commons committee was told yesterday.

That would mean that the aircraft had a total operating life of 35 years, an exceptionally high figure.

The Commons Industry and Trade Committee was given these figures by Captain Brian Vople, flight manager (technical), Concorde, at British Airways.

By comparison with the airline's other long-range aircraft, Concorde use is low, ranging from 1,595 to 2,393 hours for 1980-81 (depending on whether the entire fleet or just the operating aircraft are counted); and from 1,032 to 2,063 hours estimated for 1981-82.

British Airways expects to spend between £65m and £75m a year on its Concorde fleet

over the next five years: £75.2m during the present financial year, £68.3m in 1982-83 and £75.1m in 1984-85. The largest single item is fuel, which accounts for 35 per cent of the total, rising to 37 per cent in 1984-85.

Mr Stephen Wheatcroft, British Airways director of economic development, told the committee that, in this financial year, the London-New York service was expected to make a profit of about £4m. Against that, losses on the Washington route were estimated at £2m and on the now-withdrawn Bahrain-Singapore service, £3m.

This year should show an overall operating deficit of about £6m on the airline's Concorde operations. Next year and in the following years the forecast was for a continuing profit of about £4m on the New York route and a deficit of about £2m to Washington, giving a predicted net annual operating profit of about £2m.

## Poultry industry to be given subsidy of £2m

By Our Agriculture Correspondent

The Government is to pay subsidies worth up to £2m to poultry slaughterhouses in the next three months. The payments were announced yesterday by Mr Peter Walker, Minister of Agriculture, Fisheries and Food, who had been insisting for months that he would not make them.

Mr Walker said after a meeting of poultry industry leaders that aid would be paid at a rate of half the cost of "eligible expenditure".

His announcement came after protests from the poultry industry that the cost of safety inspections in slaughterhouses abroad was being met by other EEC governments.

## New guidelines for releasing patients

By Lucy Hodges

The report of the inquiry set up in the wake of the case of Ronald Scales, who murdered a girl after his release from Broadmoor, says that arrangements for granting patients leave from special hospitals could be improved.

It contains guidelines that are being sent to all the special hospitals. Mr Patrick Jenkin, Secretary of State for Social Services, told the House of Commons, his department published the report yesterday.

The guidelines, which the report says should be reviewed after they have been in effect for some time, recommend that any medical officer considering sending a patient on leave should take account of the views of other professional people.

The special hospitals are told that it is essential to record the basic details of decisions taken about a patient. Agencies outside the hospital should be consulted about a patient's leave and all disciplines within the hospital should be consulted on where the patient is going.

The police should be told whenever patients who were at one time restricted or who were detained after a conviction for serious sexual or violent offences are sent on leave. Those concerned with the patient's care after he leaves the hospital should also be involved in discussions and special hospitals should devote more attention to preparing patients to leave hospital.

It is believed that not all the guideline procedures were followed in the Scales case and there has been some criticism of the fact that other professional people were not consulted.

One of the main changes introduced by the guidelines is the police notification procedure. Until now the police have been told only when a restricted patient was given leave in their area.

Review of Leave Arrangements for Special Hospitals Patients (DBSS) PC Box 21, Stannmore, Middlesex. HA7 1AX; 01.

## Divorce cost 'nearly £1,000m'

By a Staff Reporter

Between one in three and one in four marriages were heading for divorce at a cost to the taxpayer approaching £1,000m a year, Dr Jack Dominian, director of the marriage research centre at Central Middlesex Hospital, said yesterday.

The number of divorces had risen from 5,000 to 10,000 a year fifty years ago to 140,000 a year, and Britain had one of the highest divorce rates in Europe.

He estimated that the cost of marital breakdown, leaving aside legal costs, was approaching £1,000m, made up of supplementary benefit payments to one-parent families, the costs of children in care, absenteeism from work during marital breakdown, the cost of treating attempted suicides and doctors' prescriptions for stress and physical symptoms.

Speaking on the publication of a booklet on marriage, Dr Dominian said that women's rising expectations in part accounted for the increase, but men too were expecting a higher degree of fulfilment.

He called for wider education in sex, not simply sexual education about marriage and the differences between men and women's feelings.

There was a relationship between the rise in women's emancipation movements and divorce, he said, and seven out of 10 petitions were brought by women.

Between 70 per cent and 80 per cent of divorced people re-married, he said.

Marriage-making or breaking, Family Doctor Publications (BMA House, Tavistock Square, London WC1H 9JP; 55p including postage).

## Threats and big rate rises linked

By Christopher Warman  
Local Government Correspondent

Threats of new penalties against local authorities by the Government for overspending made big rate increases more likely, Mr Jack Smart, chairman of the Association of Metropolitan Authorities, said yesterday.

Speaking at a seminar of London authorities, he complained that Mr Michael Heseltine, Secretary of State for the Environment, kept changing the targets for local government spending, and had now asked councils to cut their spending by 5.6 per cent in 1981-82 compared with 1978-79.

"Mr Heseltine has already confronted hard-pressed authorities with not one target but a selection from which they can pick and choose. This is unjust, unwise, and counter-productive."

Mr Smart added: "There must be many moderate, responsible authorities who today will be deciding to put money on one side as a hedge against any penalties Mr Heseltine might suddenly decide to impose. Thus every new threat Mr Heseltine makes, every new uncertainty he creates, adds to the prospect of big rate increases."

Mr Heseltine was determined to divide authorities into good and bad in a way that undermined the spirit of cooperation that had existed between local and central government.

Mr Richard Brew, deputy leader of the Greater London Council, which proposes a 17.6 per cent rate increase, said that although the GLC was making cuts, they would not reach one of the Government's targets.

The GLC would only be able to reduce spending by some 2 per cent next year compared with the present year, and not the 3.1 per cent proposed by the Government.

The GLC's proposed 17.6 per cent increase might go as high as 40 per cent when it reaches the boroughs, as a result of changes in government grant distribution.

Mr Fenton Bradler, for Mr Moss, said: "This is a matter which you can say is typical of the wear and tear of driving and parking in central London."

The prosecution said that at 11.55 pm on October 9, Mr Moss was driving his Honda van towards his home in Shepherd

## Law on religion for schools to stay

By Diana Geddes  
Education Correspondent

The Government has no intention of repealing the law requiring schools to hold daily religious assemblies and to provide religious instruction for all pupils, although many schools are in breach of the law.

That was made clear by Mr Mark Carlisle, Secretary of State for Education and Science, when he appeared before the Commons Select Committee on Education and Science yesterday.

Mr Carlisle accepted that the relevant words of the Education Act, 1944 were not always being carried out, but the Government was not retracting that Act, if that was what Mr Price meant.

Reference to religious education would be included in the Government's paper on the framework for the curriculum in schools, which was due to be published shortly.

Mr Carlisle agreed that there was a severe shortage of qualified teachers of religious education.

The department was encouraging teacher-training institutions to increase the number of places for students specialising in religious education. Commitment to post-graduate certificate of education courses in religious education was 20 per cent higher than last year.

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## M26 users to get extra exit slip roads

Exit slip roads at a cost of about £1m are to be provided to the A225 from the M26 near Sevenoaks, Kent, to move some of the traffic off the main road at the 18-mile journey before the next intersection near Gillingham.

Mr Kenneth Clarke, Parliamentary Secretary for Transport, said in a written Commons reply yesterday that detailed proposals for fast-flow lanes on the A225 would be announced soon.

After a public inquiry it was decided that the cost of connections between the M26 which was opened last November, and the A21 at the Sevenoaks junction, could not be justified.

Mr Clarke said that the new having considered traffic conditions, the needs of the local community and industry and the economics involved he had concluded that the provision of the proposed slip roads offered the best solution.

It has, for instance, been known for an accused to be acquitted, but one of the witnesses to be bound over even though he had done nothing that could form a criminal charge. The Law Commission anxious to receive information about the operation of the ancient power in practice.

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## HOME NEWS

## Man who exposed malpractices by drug company plans to sue Swiss Government and EEC

By Frances Gibb

Mr Stanley Adams, who exposed malpractices at Hoffmann-La Roche, the multinational drugs company, has come to Britain to seek citizenship while he pursues legal actions against the Swiss Government and the company.

Mr Adams, aged 53, a Maltese citizen, faced imprisonment for an £8,000 fine and a five-year ban from Switzerland for his disclosures. He said yesterday in London that he hoped to remain in Britain.

The socialist group of the European Parliament has raised 50,000 Swiss francs to back Mr Adams' action against the Swiss Government.

If necessary, he would take his case to the European Commission of Human Rights, Strasbourg, he said.

He also intends bringing an action against the EEC and against Dr Willy Schieler, a lawyer who was director general of the European Commission in charge of fair trading at the time Mr Adams made his disclosures.

Mr Adams claims that he has evidence that Dr Schieler, either intentionally or by mistake, disclosed his identity as the source of the information to one of the drug company's lawyers. EEC officials and Dr Schieler deny that.

He was a senior executive of the drug company and was charged under Swiss laws on industrial espionage laws and held in 1974 for nearly three months while awaiting release.



Mr Stanley Adams: Case backed by European MPs.

on bail. During that time his wife committed suicide.

After Mr Adams, a former British honorary consul who held a British passport until Malta became independent, disclosed price-fixing agreements instigated by Hoffmann-La Roche, the company was fined £250,000 by the EEC for breaching competition laws. The fine was reduced on appeal.

In his case against the Swiss Government, which he said was the most important, he seeks

his rehabilitation: he wants the Swiss to acknowledge they were wrong to bring the case.

The planned case against the EEC and Dr Schieler, in which he seeks compensation, will be started in Brussels and if necessary go to the European Court of Justice in Luxembourg.

The case against the drug company may be pursued through British courts.

The Stanley Adams appeal committee, which includes Sir John Foster, QC, and Mr Peter Archer, QC, a former Solicitor General, has raised £10,000 to help Mr Adams and will be pressing the Home Office through MPs to grant him the right to stay.

Mr Michael Ivens, director of Aims, the free enterprise organization and a member of the committee, said yesterday: "Britain has a strong tradition of accepting people who are dissidents or victims of political injustice. Stanley Adams' case is tailor-made for that."

Mr Adams arrived in Britain two days ago from Italy, where he had been pig farming.

His three young daughters are at a boarding school near Liverpool, as a result of a private donation offered because of his public role. He said yesterday that he did not regret the disclosures. "I do not wish to sound bombastic, but I did not do it for my benefit. I did it out of a sense of duty."

"I would do the same now. If I saw something going on that was wrong, I would report it today, tomorrow or any day."

## Drug addicts may lose a third of NHS beds

By a Staff Reporter

Closure of a drug dependency unit at Bexley Hospital in Kent threatens to deprive the National Health Service of nearly one third of its 63 specialist drug addiction beds when the number of addicts is rising, doctors and staff at the unit said yesterday.

The closure, due on March 1 but still subject to consultation, is aimed at saving £150,000 a year from the budget of Greenwich and Bexley Area Health Authority which is heading for a £500,000 deficit this year.

Dr Judith Morgan, consultant psychiatrist at the 20-bed unit, said it provides services for patients in south-east England and sometimes from elsewhere.

"Closure will mean real suffering for our patients and unnecessary deaths are probable if not certain," she said. Addicts' families and the community would also suffer.

"The 182 patients whom we treated last year will not disappear. Both prison and general psychiatric and medical services will struggle to cope with their demands at a time when they are already under severe pressure."

Home Office statistics indicated an alarming rise in the number of addicts, reaching more than 5,000 last year, and the actual number of addicts was thought to be appreciably higher.

The proposal at present is for temporary closure; this would be likely to be at least a year, and the staff fear it would become permanent.

## NCCL lawyer's reputation harmed, court told

By a Staff Reporter

The reputation of Miss Harriet Harman, legal officer of the National Council for Civil Liberties, has been damaged by the successful Home Office action against her for contempt of court, the Court of Appeal was told yesterday.

Mr Leonie Price, QC, told Lord Denning, Master of the Rolls, sitting with Lord Justice Templeman and Lord Justice Dunn, that although her bona fides had not been questioned her reputation as a solicitor was damaged and she had had to bear substantial costs.

He was opening an appeal against a judgment, given in November by Mr Justice Park, that Miss Harman committed a serious contempt by showing a journalist documents obtained by the legal process of discovery and read out in open court.

The Home Office maintains that the documents, which were released to Miss Harman in her capacity as solicitor for a prisoner who was suing the Home Office, should not have been

used for any purpose other than the action. The documents formed the basis of a newspaper article criticizing Home Office prison policy.

Mr Price said yesterday that the confidentiality attaching to such documents ended once they were read out in court.

Whether it was contempt or not, he said, it was better that the journalists should have an accurate view of the documents rather than "write an article critical or praising the mandating and views of the Home Office" on the basis of imperfect knowledge of the document.

It made no difference, as Mr Justice Park had maintained, that the journalist needed to see documents for the purpose of a law report, a newspaper report or, as in this case, a feature article, he said.

Lord Denning remarked that it was everyday practice for shorthand writers to be shown documents or letters in order to check their notes.

Mr Price said that was the case not only with shorthand



Miss Harman: 'bona fides not questioned'.

writers but also with journalists.

New definition urged:

The appeal hearing appeal coincides with the publication today of an NCCL booklet *Changing Contempt of Court*, calling for a new definition of contempt.

The booklet, by Mr Andrew Nicol, a barrister, and Miss Heather Rogers, a law student, proposed a less strict definition of contempt than that contained in the Contempt Bill now in committee stage in the House of Lords.

The Bill defines contempt as creating a risk that the course of justice will be seriously impeded or prejudiced. The booklet, however, recommends that the word "serious" be inserted before risk.

It also urges a new defence of publication in the public interests.

The booklet proposes that confidentiality of court documents should end once they are read out in open court. It also urges that cases pending appeal should not be a sub judice and that there should be a general defence for fair, accurate and contemporaneous reports, whether or not they are in good faith.

*Changing Contempt of Court*, NCCL, 136 King's Cross Road, London, WC1. £1.20.

## More rare birds of prey being poisoned

By David Nicholson-Lord

Action to protect rare birds of prey from bait laced with strychnine and other lethal pesticides is vital as the poisoning season begins on farms and game reserves, the Royal Society for the Protection of Birds said yesterday.

An editorial in the society's magazine, *Birds*, due to be published at the end of next month, says the death rates from illegal poisoning is alarming and strongly criticized the Government's failure to include any of the society's proposals

in the Wildlife and Countryside Bill, now before Parliament.

Last year was the worst on record, with more than 100 confirmed cases, including two golden eagles and two red kites, of which there are only 29 nesting pairs in Britain. Yet there were few prosecutions and none on the initiative of the Ministry of Agriculture, Fisheries and Food.

"Expressions of concern are not enough," the editorial says.

"It is action, not words, we now demand."

The danger to humans and

poets was also pointed out last year in the society's report, *Silent Death*. That recommended a ban on the sale of one pesticide, mevinphos, greater restrictions on the availability of strychnine and a change in the law to make landowners jointly responsible if their employees misuse poisons.

Such an amendment was introduced by Lord Beaumont of Whitley at the Lords' committee stage of the Bill on Monday and the society hopes that it may be adopted.

## Inquiry urged on atom store tests

Somerset county councillors called yesterday, at a meeting in Taunton, for an inquiry into proposals for test drilling into possible sites for storing radioactive waste in the county.

Two applications had been made on the Natural Environment Research Council's behalf to drill on Crown land near Puriton and at Brent Knoll.

The councillors decided to ask the Department of the Environment for an inquiry

## BBC to fund Ulster Orchestra

By Kenneth Gosling Arts Reporter

After months of negotiations, agreement has been reached for the disbandment of the BBC Northern Ireland Orchestra, which was first proposed in the BBC's economy measures announced last year, and the enlargement of the Ulster Orchestra with firm financial guarantees for the next five years and for continued BBC support for at least a further five.

The agreement, involving the Arts Council of Northern Ireland, the Musicians' Union and the Northern Ireland Musicians' Association, provides for 12 of remaining members of the BBC orchestra to move to an Ulster Orchestra enlarged to 55 players, and resettlement grants for five other players.

Belfast City Council is to contribute £150,000 over five years, and Gallaher's, the tobacco company, will contribute about £250,000 over four years.

The BBC will provide £190,000 in the first year, beginning in March, and will continue with funding support until 1986; the amounts will increase as costs rise.

A Musicians' Union official said the BBC was buying a broadcasting entitlement for a third of the orchestra's performances, the other two thirds being devoted to concert work. The sum guaranteed would be related to freelance fees; if those rose by 10 per cent then the £190,000 would go up accordingly next year.

Draft contracts have also been completed in relation to the three radio orchestras, the Northern, Scottish and Midland, and they will go before the union executive on February 12.

## Man cleared of ill-treating stepson in pool

Steven James Greenwood, a bus driver, was cleared yesterday of ill-treating his stepson, aged two, by deliberately ducking him under the water in a swimming pool.

The jury found Mr Greenwood, aged 28, of Town Street, Staningley, Leeds, not guilty of wilfully ill-treating or exposing Terence Benjamin Ryan in a manner likely to cause him unnecessary suffering or injury to health.

Mr Greenwood, in evidence, denied having intended to harm the boy or having forced him under the water. He said: "I was trying to get him used to the water and to teach him to swim. I loved the boy like my own son."

He said he had been crying, but said he had ignored this because the boy had been "soft".

## Damages for Mr Woodrow Wyatt over Tote article

Mr Woodrow Wyatt, chairman of the Totalisator Board since 1976, has ordered a number of the Tote's dividends at Royal Ascot in 1976 to be altered after they had been calculated, but before they had been declared.

It was said that, according to a long-serving Tote employee, the dividends were "doctored" on Mr Wyatt's personal orders and at least half a dozen races were affected. One Tote employee felt punters were being swindled when dividends were cut.

It was now accepted that the allegation was without foundation. Its origin might have been the fact that in one single instance Mr Wyatt directed the dividend on one race at Royal Ascot in 1976 to be increased after the withdrawal of the favourite.

## In brief

## Vickers murder case on March 16

Committal proceedings involving Paul Vickers, aged 46, a surgeon, and Pamela Collison, aged 33, a political researcher, have been set for March 16, magistrates at Newcastle upon Tyne were told yesterday by an official of the Director of Public Prosecutions.

Mr Vickers, of Moor Crescent, Gosforth, Newcastle, and Miss Collison, of Margaret Road, Barnet, Hertfordshire, are jointly charged with the murder of Mrs Vickers's wife in June, 1979. They also face three joint charges of obtaining quantities of a drug by deception.

## Council opens family finding shop

A shop run by Greenwich Council, containing displayed information about children for in Hare Street, Woolwich, south-east London, yesterday. The council hopes its direct approach will help to find homes for some of the 600 children placed in its care.

## Village shop success

Parish councillors who opened a shop at Tivetshall, Norfolk, a year ago said yesterday that the experiment was a big success, with a weekly turnover exceeding £500. Volunteers run the shop, which saves a 14-mile journey.

## Bear owner's denial

Andrew Robbin, aged 37, owner of Hercules, the bear that went missing in the Hebrides last year, denied at Lochmaddy Sheriff Court, North Uist, yesterday, a charge of keeping the animal without a local authority licence. "The trial will be on July 14."

## NUJ monopoly fear

The Taunton and West Somerset branch of the National Union of Journalists has asked for Associated Newspapers' proposed takeover of the Bristol Evening Post to be referred to the monopolies commission.

## Searchers save a life

A man, aged 75, who leapt into the river from Trent Bridge, Nottingham, yesterday was rescued by police searching for the body of another man who jumped at the same spot on Tuesday.

## Cost of vandalism

Vandals cost Rotherham ratepayers £47,378 over an eight-month period last year. The education department's damage bill was £13,350.

## Church bells charge

Two men are to appear in court in connection with the theft of two fourteenth-century church bells from a village near Cockermouth, Cumbria.

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## WEST EUROPE

French foreign policy to concentrate on East-West stabilization instead of détente

## M Giscard warns Poland against upsetting Soviet apple cart

From Charles Hargrove  
Paris, Jan 28

Détente is dead, long live stability, is how one might be inclined to sum up President Giscard d'Estaing's hour-long excursion on television last night into foreign affairs in an interview with three journalists.

Although the world is taboo at the Elysée Palace, it was in fact an electoral exercise, the last by the President in office before he becomes a candidate for the presidency—at the latest possible moment, as he has always made clear.

One of the journalists who interviewed him strayed from foreign affairs and broached the question which, more than world peace and East-West relations, Afghanistan, Poland, Chad and European co-operation was on the mind of every Frenchman glued to the television screen. When would he

actually throw down the gauntlet?

The answer was Sybilline: between 20 and 30 days before the first ballot would be sufficient to "respect the right of Frenchmen to be informed and their right to reflect," to quote his own words. That means that he will announce his decision to stand about the beginning of March, the first ballot being on April 26.

Are seven weeks, one commentator asked, enough to enable Frenchmen to commit themselves for another seven years?

It was a somewhat sombre view which the President cast on the world last night. He was anxious to respond to the criticism in the press, political circles, and even in parts of public opinion, that his foreign policy had in the past 12 months been based on far too

optimistic an assessment of the prospects for peace and for negotiation.

The promise implicit in his decision to go to Warsaw to meet President Brezhnev that the Russians would gradually withdraw from Afghanistan was not fulfilled. He admitted that there had been "a shift of the positions of influence in the world to the advantage of the Soviet Union". That was why some people said that this détente was a fraud. He would not go that far. "The word we should have in mind is the stabilization of East-West relations", he emphasized.

But this "stabilization" must go hand in hand with "restraint" on both sides. France had shown restraint over Afghanistan. It would continue to show restraint over Poland, which must be encouraged to put its economic house in order,

without foreign intervention, but not to upset the Soviet apple cart by attempting to cast aspersions on socialism.

Poland had to be conscious of the limitations of its "geographical and strategic situation" as part of the Soviet glacis in the West.

France would also show restraint over China. "It would not be a good thing for us to use China as an argument against the Soviet Union," he added.

In return, Russia must show restraint in Africa and elsewhere, just as it had done—though it was less obvious in Afghanistan as a result of the Warsaw meeting.

He had invited Mr Brezhnev only the previous day to demonstrate this restraint again by accepting a conference on non-intervention in Afghanistan,

which was another illustration of the dynamic quality of French diplomacy.

Those who argued that France should have intervened in Chad to prevent the Libyan takeover were accused of "irresponsible adventurism". France would have been condemned by everyone, and lost dozens, if not hundreds of men in such an expedition. It was up to the Africans and the Chadians themselves to put "enough pressure on the Libyans to withdraw."

Our Diplomatic Correspondent writes: British ministers have given a distinctly cautious response to President Giscard d'Estaing's proposal for an international conference on Afghanistan. The first reaction in Whitehall was that the French initiative might be partly aimed at a domestic audience, given the coming

presidential election campaign.

Mr Douglas Hurd, Minister of State at the Foreign Office, said that the Government would look carefully "at this procedural suggestion", but made it quite clear that Britain saw the appointment of a special United Nations representative as holding out the best hope of achieving a political solution.

Lord Carrington, the Foreign Secretary, paying a special tribute to Pakistan's efforts to get talks started under the aegis of the United Nations, said that Britain was increasing its aid to help Afghan refugees in Pakistan.

Commenting on the Pakistan initiative, he welcomed any negotiations which held out a prospect of restoring to Afghanistan its political independence, non-aligned character and right to determine its own form of government.

## Air controllers' action hits Suárez party

From Richard Wigg  
Madrid, Jan 28

An indefinite "work to rule" by air traffic controllers has obliged Spain's ruling Centre Democratic Union to postpone its party conference due to have opened in Palma, Majorca, tomorrow.

The air traffic controllers' action which began yesterday, coincides with temporary stoppages by railwaymen. Both are intended to force the Government to agree to wage increases.

Señor Adolfo Suárez, the Prime Minister, who is also president of the ruling party, faced at the conference criticisms from other leading party figures of his way of governing.

There is a lingering suspicion in political circles today that the party apparatus preferred to postpone the conference without setting any new date in order to disrupt the plans of Señor Suárez's party critics.

The Government did not choose to invoke legislation still on the Statute Book enabling it to declare services as essential which would prohibit any disruptive action, presumably to avoid accusations of favouring the ruling party's interests.

Señor José Luis Alvarez, the Minister of Transport, faces criticism for having allowed the wage negotiations with the air traffic controllers to drag on.

A final decisive move was set by his officials for last Monday, only hours before some 2,000 party delegates were to fly to Majorca. Señor Alvarez said today that the authorities would not negotiate under duress.

The air traffic controllers' "work to rule", which also affects incoming international flights though to a lesser degree, began without any prior notification after the talks had broken down. It continued today with little prospect, apparently, of the negotiations resuming soon.

At Barajas airport, Madrid, domestic flights will leave today every 20 minutes instead of every three minutes at peak hours. There were delays of between five and six hours, and many flights were cancelled.

On the railways, an estimated 800,000 passengers were held up from 8 am to 10 am today with virtually no trains running. Another two-hour stoppage was called for tonight with the same pattern planned for tomorrow. Talks are being held, however, between the State railways and the railwaymen to end the wage dispute.

The Government has rejected the air traffic controllers' wage demands, on the ground that they are more than three times the 12 per cent increase set for employees in the public sector under this year's budget. The air traffic controllers maintain that their pay has steadily declined since 1977.

The secretary of the Centre Democratic Union said that the decision to postpone the conference was unanimous, with the so-called "critical sector" representing the Christian Democratic and Liberal wings of the party, agreeing not to bow to trade union blackmail.

Señor Suárez's critics within the party are concentrating their attack on the lack of industrial discipline, and on an alleged inability of the Suárez administration to be seen to be governing.

The Majorca hotel industry is up in arms as the conference would have been a boon to the island at low season. The hotel where Señor Suárez was to have stayed has just been acquired by Arab interests.

Palma was chosen because the European security conference, which has occupied semi-permanently Madrid's Palace of Congresses, is uncertain when the conference will be held. Next month will be busy in the Cortes, with important legislation including a controversial Bill on divorce. Piloted by the Minister of Justice, a Social Democrat who supports the Prime Minister, the Bill divides Señor Suárez's Christian Democrat and Liberal critics and this has led to a conference of postponing the party conference.

But against this has to be set the general impact of industrial stoppages as the Government doggedly struggles to show its sufficient authority left to continue until the 1983 general election.

## Schmidt policy critic keeps up leftist challenge

From Our Own Correspondent  
Bonn, Jan 28

One of Herr Helmut Schmidt's most unruly left-wing MPs today defied his parliamentary party and announced that he would go on attacking the Chancellor's policies.

Herr Karl-Heinz Hansen alleged at a press conference that some of the Government's policies and in particular plans to export arms to non-Nato countries, went against the Social Democratic Party's principles. He claimed that most of the party felt as he did.

Herr Hansen was censured by the SPD parliamentary party last night for a strongly-worded attack on the Chancellor in the left-wing magazine *Konkret*. Among other things, he had called Herr Schmidt's foreign and defence policies political *Schweinereien*—foul tricks. He now faces possible expulsion from the party.

He was supported by two other SPD deputies, Herr Manfred Coppel and Herr Kalus Thüsing, with whom he formed the hard core of left-wing rebels.

His attack came on the heels of an unsuccessful move by 26 SPD left-wingers against the

Chancellor's defence policy. They put forward a resolution in the party calling for DM1,000m (£210m) to be cut from the defence budget.

All 24 had originally intended to be present at the press conference but after the move against Herr Hansen the other 21 changed their minds.

The left-wingers are particularly unhappy about a Government agreement to sell two submarines to Chile and numerous Leopard tanks and highly sophisticated weapons to Saudi Arabia. They are also upset over reports that the Government is considering dropping its self-imposed ban on arms exports to areas of international tension.

There is also growing resentment over the joint decision with Nato to deploy new medium-range nuclear missiles in Western Europe. They feel their assent was given on the understanding that the United States would ratify the Salt Two arms limitation treaty, which it has not done.

Numerically they could leave the Government in a minority if they chose to vote against it on defence issues but it is not yet clear whether all would be determined enough to do so.

## West German welcome for EEC fishing deal

From Patricia Clough  
Bonn, Jan 28

West German fishermen welcomed with relief today's agreement in Brussels allowing them to fish again off Norway and Greenland.

A spokesman said they would not go ahead with plans to blockade the ports of Hamburg and Bremen and seal off the Danish border unless the final negotiations on a Community fisheries agreement (on February 9 and 10) failed or unless there were incidents involving their ships at sea.

"We do not want to do anything which would compromise the negotiations", Herr Rudi Roder, a representative of Cuxhaven fishermen, said.

The agreement means that many of the 1,200 German fishermen, who have been kicking their heels on shore for several weeks while the Community sought a fishing agreement, can now put to sea.

Two-thirds of West Germany's traditional fishing grounds lie off Norway, Greenland and Canada and 19 factory ships have been laid up. Herr Roder said the "lethargy of the politicians" in Brussels was costing the industry DM300,000 (about £50,000) a day.

Resentment has been running high as the end of the current season in mid-February approaches and the threat of bankruptcies and unemployment appear. On Sunday fishermen occupied a lock at the entrance of Cuxhaven harbour and prevented an Icelandic ship from entering. Others held a demonstration in Bonn.

Herr Josef Ertl, the Agricultural Minister, yesterday demanded a quick agreement in Brussels and threatened that West Germany might withhold contributions to the Community.

Herr Helmut Schmidt, the Chancellor, sent a telegram to

President Giscard d'Estaing of France pointing out that the situation had become critical for the industry here.

Brussels agreement: The EEC agreement allows West German fishermen to catch 3,000 tonnes of cod off the coast of Greenland until February 10 to compensate them for loss of access to Canadian waters (Michael Hornsby writes from Brussels).

An agreement between the Ben and Canada on reciprocal fishing rights is being blocked by Britain until a new Community fisheries policy has been agreed, including the share-out of fishing within the EEC's own waters.

Britain, however, agreed that a fishing agreement with Norway should go into force, at least until the end of March. British fishermen stand to gain from access to Norwegian waters, whereas they do not fish off Canada.

The stalemate over a fisheries policy has been dragging on for five years.

French hand-out: The French Government has decided to dig deep into its pocket this year to give an extra large hand-out to its ailing fishing industry. Aid totalling 306m francs (£30m) was agreed by today's Cabinet meeting (Ian Murray writes from Paris).

This shows just how seriously the Government views the crisis facing the industry and how sensitive it was to the causes of last summer's dispute which led to fishermen blockading French ports.

Greenland anger: Greenland may hold an early referendum over its EEC membership in protest at the fishing agreement. The threat follows Denmark's temporary suspension yesterday because of its opposition to West German trawlers fishing cod in Greenland waters.

Greenland voted by referendum in 1972 to join the EEC and planned to hold a second referendum on its membership early next year. (UPI reports from Copenhagen).



Signor Adolfo Sarti, Italy's Justice Minister, in high spirits after rebuffing opposition demands for his resignation over his handling of prison visits by Radical Party MPs.

## Italian leader's views on terrorism anger Russia

From John Earle  
Rome, Jan 28

The Italian Government is embarrassed by an incident affecting its relations with the Soviet Union arising from remarks by President Pertini on the international links of Italian terrorism.

The President's comments have brought a sharp protest from Moscow. To give time for the temperature to cool the government has postponed a statement in Parliament on the subject from yesterday until next Tuesday.

When President Giscard d'Estaing of France visited Rome last week, President Pertini in interviews with French television and *Le Figaro* reiterated his belief that Italian terrorists received help from abroad, and mentioned Turkey and Italy as two countries subjected to attempts to disrupt their stability. He apparently spoke from personal conviction, and cited no evidence. The context of his remarks implied that he was thinking of the Soviet Union.

Signor Walter Masotta, the Italian Ambassador in Moscow, was called to the Foreign Ministry yesterday to be told in a protest that such "obviously absurd assertions" and insinuations were an insult to the Soviet Union which had always condemned terrorism.

Signor Pertini, who owes much of his popularity to a tendency to say what he thinks, evidently failed to coordinate his remarks beforehand with the Government. After several hours yesterday of hurried consultations, the President's and Prime Minister's offices last night issued a joint statement which expressed "perplexity" at the Soviet protest, saying the President had merely called attention to the fact that two countries on the borders of Nato Turkey and Italy, were the object of intense terrorist offensives.

The affair has provided an occasion for anti-communist statements by politicians in which, however, the more moderate leaders of the Christian Democrats have not joined. Signs are that the deterioration of relations between Rome and Moscow will be only temporary. Mr Timofey Guzhenko, the Soviet Minister of Merchant Marine, is in Italy to discuss possible orders for new ships under the new Soviet five-year plan, and until now at least, his programme is going ahead as scheduled.

## Roulette wheels checked by fraud experts

San Remo, Jan 28—Experts in roulette wheel rigging took over San Remo's Casino today to investigate an alleged swindle by croppers and regular customers that is said to have robbed the casino of millions of pounds.

The experts were from a Paris company that, for years has supplied equipment to casinos all over the world, investigating officials said.

Their task was to examine the roulette wheels to see if they had been tampered with in a way that could enable the croppers to determine the slot the little white balls dropped into.

At dawn yesterday hundreds of police and finance agents went to homes in San Remo and arrested 18 croppers and 30 of the casino's regular customers.

The investigators claimed that croppers and some supervisory staff saw off the selected regular customers made large winnings and then shared the proceeds. Experts estimated the loss to the casino at between £4.1 and £8.2m.—UPI.

## Commuters let Metro killer flee

From Our Own Correspondent  
Paris, Jan 28

Paris commuters at the busy Gare d'Est stood by and allowed a pickpocket to escape after he had fatally cut the throat of a victim. As the victim lay on the ground, the pickpocket boarded a train and fled the scene.

The incident started when a young Algerian felt the pickpocket trying to steal his wallet in a crowded Metro train. The victim grabbed the thief's wrist and at the next station dragged him off, saying he was taking him to the police station. The thief then pulled a knife from his pocket and stabbed his captor in the throat.

It was over an hour and the platform was crowded, but everyone then stood back and let the murderer board the train. Nobody on the train did anything until a young student from Zeire raised the alarm two stations further down the line. Later a 33-year-old man, believed to be from North Africa, was arrested by railway police.

Picking pockets on the Metro has become so regular an occurrence despite increased patrols, that the police admit privately that there is most no way of stopping it other than by citizen's arrest. As most thieves work in gangs, with one member passing a stolen wallet to another, such arrests are difficult.

Six young people were arrested at Argenteuil yesterday morning after they threatened and robbed passengers using knives and knuckledusters. They were travelling on the train from Paris to Arranches.

Michaelangelo pastel verified

Geneva, Jan 28.—A large pastel drawing in the Bodmer Foundation collection here has been pronounced by two British experts to be the work of Michelangelo. The drawing, 18 in by 14 in, depicting Christ and the Woman of Samara, is thought to date from 1543, and to have been a presentation to a friend, Vittoria Colonna.

It was purchased early in the 1950s by the founder of the collection. The experts, Mr Noel Annesley, of Christie's, and Mr Michael Hirst, of the Courtauld Institute, have confirmed its authenticity.

## Press trip visas refused

Helsinki, Jan 28.—Soviet authorities have refused visas to Western members of Helsinki's International Press Association (IPA), whom they had invited to visit the mining and industrial complex in Kostamus, 20 miles east of Finland's border. The Russian embassy could not explain.

Mr Thomas Romantschuk, chairman of the IPA, said he did not know the reason. "We joked that the trip will be stopped because one of the participants is a Chinese journalist, but that was not the real reason. Only the Soviets know that."

He apparently spoke from personal conviction, and cited no evidence. The context of his remarks implied that he was thinking of the Soviet Union.

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## Central Athens blanketed by thick snow

From Our Own Correspondent  
Athens, Jan 28

Central Athens lay under a thick blanket of snow today which disrupted traffic and caused all schools to close for 48 hours as the weather report promised more snowfalls and temperatures below freezing for the next two days.

Greece has been in the grip of an unusually long cold spell which has crippled communications, damaged crops, and killed thousands of cattle.

Athens was cut off from the north of the country today but snowploughs were trying to clear the main highway and the railway north of here. Because of gales sailings from Piraeus were cancelled and Olympic Airways grounded its domestic flights because of snow on the runways and poor visibility.

## Bonn's envoy criticizes its attitude to E Germany

From Gretel Spitzer  
Berlin, Jan 28

Herr Günter Gaus, the West German envoy to East Germany for the past six and a half years, today paid a farewell call on Herr Oskar Fischer, the East German Foreign Minister. Tomorrow, he will see Herr Erich Honecker, the East German Communist Party leader.

Herr Gaus enjoyed a high reputation in East Germany. This was underlined by the permission granted to West German television to film Herr Gaus flanking on his right by Herr Honecker, and by Mr Pyotr Abramov, the Soviet Ambassador, on his left, at the table of a Government lodge during a recent diplomatic hunt.

In reviewing his long term of duty Herr Gaus criticized West Germany's approach to East Germany. On television he said that West Germany and its media tended to ignore the existence of a German state on the other side of the eastern border, seeing instead, wrongly in his opinion, only the ruling Communist Party, and an enslaved mass of people, living under this regime.

There was no affection for the East Germans, he said. By its lack of awareness of what East Germany was really like, West Germany was making it difficult for itself to exploit reasonable possibilities. "The problem with East Germany starts with us," Herr Gaus said. "Last week, Herr Gaus was elected a West Berlin senator in charge of science and research."

## Vision of computer-enslaved world

From Ian Murray  
Paris, Jan 28

A terrifying prospect of a world ruled or enslaved by the magnetic bands has been conjured up in Monte Carlo during the first international symposium devoted to computer security.

Delegates to "Top Secret 81" heard from Mr Don P. Parker, the American who has been successful in classifying 800 types of computer report. He gave warning that within 10 years the real threat to world stability would not be nuclear power but the ability of one nation to enslave another by paralyzing its computers.

Although to date the usual computer crime was committed by the white-collar expert who worked on them and then went home to his family. In years to come political crime, terrorism, and even war would be waged on and through the machines, he claimed.

One example of the type of blackmail that could be achieved came from West Ger-

many, where an operator had succeeded in stealing 22 magnetic bands essential for the operation of a large chemical group. The board hesitated only briefly before handing over \$200,000 ransom to recover the bands, without which the company could not operate.

Many banks are even more vulnerable than the chemical group. So much of their records are on tape in their computer centres that it is doubtful whether they could continue in business if these were destroyed. Were a big bank to be affected in this way there would be inevitable and serious repercussions on the economy of the country where it was based.

Hostile nations could make use of technology to disturb the computers of their neighbours, ruining weather reporting or stock market dealings.

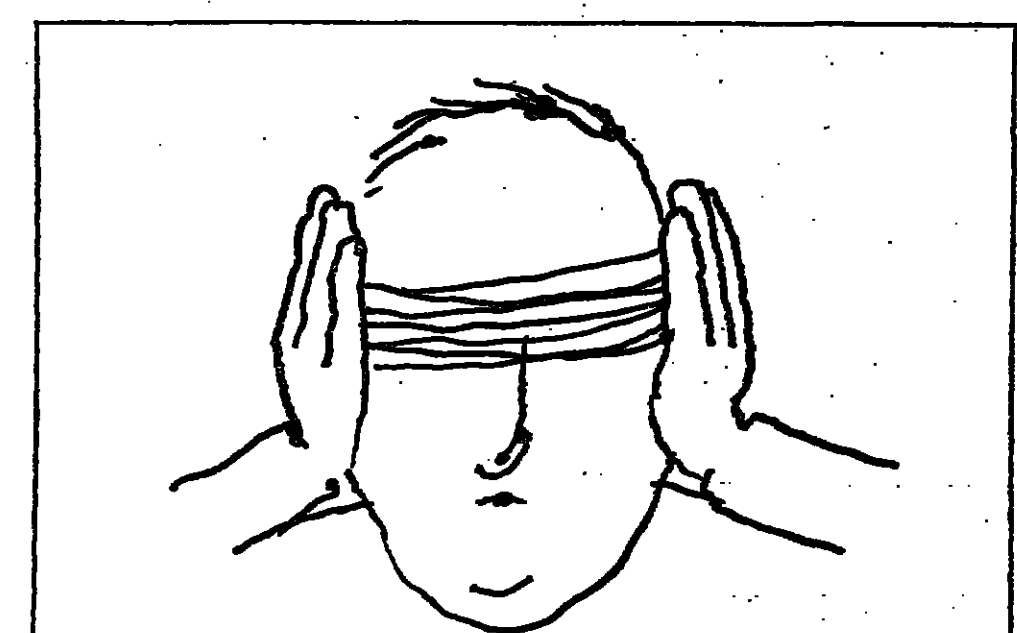
Crime by computer is already known to be extremely difficult to detect. Of the 633 discovered in 1979, 472 were in the United States, 35 in Sweden,

23 in Britain, 21 in West Germany, nine in France and eight in Japan. In Europe alone the present cost of these frauds is estimated at 15,000m francs (£1,360m) a year.

According to the Stanford Research Institute of America, the average holdup of a computer brings the white-collar criminal a profit of \$500,000 compared with only \$10,000 for the traditional armed holdup.

The Geneva-based International Association for the Study of Assurance has calculated that computer error will cost companies worldwide at least \$5,000m a year by 1988, plus a further \$700m in fraud.

The conference heard stories of successful computer criminals, like the programmer at an American bank who was caught out after having transferred \$20m to fictitious accounts. He was dismissed but to avoid a scandal no charges were brought. He was rapidly realized when the bank realized if he went to work for another firm.



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## OVERSEAS

## Islamic initiative over Afghanistan effectively abandons insurgents fighting Soviet occupation troops

From Robert Fisk  
Tah, Saudi Arabia, Jan 28

The Islamic nations meeting here have decided to launch their own peace initiative to try to solve the Afghan crisis. In doing so they have effectively abandoned the insurgents in Afghanistan who have been fighting the Soviet Army for the past 12 months.

This is not the way in which delegates to the Islamic summit would wish their decisions to be interpreted, but they have asked the United Nations to appoint a special representative to mediate between Afghanistan and its neighbours.

This step undermines the Afghan guerrillas' insistence that there should never be any negotiations with the Soviet-backed Government in Kabul, led by Mr Babrak Karmal.

Indeed, despite all the condemnation of the Saudis and other conservative Arab states, the resolution passed by the summit, which was calling for a political solution to Afghanistan, does not even make reference to a Soviet "invasion".

It refers merely to Russian "intervention" in Afghanistan and avoids any criticism of the Soviet Union. Pakistan was the first country to suggest such an approach and when Mr Agha Shahi, the Pakistani Foreign Minister, was asked today why the summit had not condemned the Soviet Union, he said: "When you move into negotiations with a party, it is inappropriate to make condemnations."

The summit resolution reflects the growing disenchant-

ment of the Saudis with the leading insurgent organizations who claim to be able to defeat the Russians in Afghanistan.

The resolution was also partly prompted by President Giscard d'Estaing's own initiative; a suggestion of an international conference on Afghanistan that startled many delegates here and prompted others to suspect that the French leader was trying to upstage the Islamic summit.

Dr Kurt Waldheim, the Secretary-General of the United Nations, is at present unhappy about the idea of appointing a special representative, although he will need to respond to the Islamic nations' resolution in a positive way.

As the summit neared its end tonight, it became apparent that a new boycott of all companies trading with Israel will be imposed by the Muslim countries attending the conference. Mr Habib Chatti, the conference secretary-general, confirmed today that a boycott office would be set up to list the names of all companies dealing with Israel.

The Arab League already operates a similar office in Damascus, but the new boycott will embrace a far larger number of nations than the 22-member league. In theory at least, 43 countries will now be involved in blacklisting any commercial firm that does business with Israel.

This is the cornerstone of the new economic struggle which the conference has endorsed to put further pressure upon Israel to hand back east Jerusa-

lem and the occupied West Bank to the Arabs.

Mr Yassir Arafat, chairman of the Palestinian Liberation Organization, therefore has the satisfaction of knowing that not only the Arabs but other Muslim nations are prepared to take tactical steps to act against Israel.

He was less enamoured, however, of a short speech made to the conference this morning by President Sarkis of Lebanon. Mr Sarkis, whose small but anarchic nation had been virtually forgotten during the summit, angered Mr Arafat by suggesting, not without considerable justification, that PLO guerrillas had broken agreements by their activities in southern Lebanon.

Mr Sarkis said: "Can we continue to be observers in such a situation when it could destroy Lebanon itself, in addition to the fact that there is intimidation by the armed Palestinian presence in the south in violation of its commitments towards Lebanon?"

Mr Arafat scribbled on a notepad during this unexpected criticism, but did not attempt to reply.

If the summit is prepared to take initiatives over Afghanistan and the Palestinians, however, it has failed to bring any conclusion to the Iraq-Iran war. President Hussein of Iraq addressed the summit today, but did no more than restate his willingness to call a ceasefire and withdraw from Iranian territory, but only if Iraq could hold undisputed and total sovereignty over the Shatt al-Arab waterway.

Leading article, page 15



Mr Lech Walesa, the Polish union leader, meeting activists of Rural Solidarity who have been occupying a building in Rzeszow since the beginning of the year.

## Polish workers urged not to strike

Warsaw, Jan 28.—The executive of Poland's independent trade union movement Solidarity called on all its regional branches today to abstain from strike action until next Tuesday and announced that a one-hour national warning strike would be held on that day.

Solidarity's national coordinating commission, meeting in Gdansk, said that strikes being called by regional branches were making Poland's economic and social chaos worse and were weakening the union.

Next week's warning strike, the commission's statement said, would back Solidarity's demand for payment for work-

free Saturdays, free access to the media, and the right of private farmers to establish their unions. The strike will exempt hospitals and railways.

If the strike does not have the desired effect, the commission will decide on February 18 what to do next. It called on the Government to use the time until then to negotiate settlements of all claims currently in dispute.

The national leadership also appealed to its branches to stop the present strikes which have hit hundreds of factories across the country "unless they are in response to reprisals taken by the authorities in a given area."

Mr Walesa reaffirmed today that he would remain in Rzeszow "until the problem of Rural Solidarity is solved."—Agence France-Presse and UPI. Food appeal: The Duke of Norfolk is leading an appeal for support for the Food for Poland Fund launched by Poles living in Britain. Food intended for the needy in Poland will be bought from donations sent to the Polish Catholic Centre, 1 Courtfield Gdns, London W13, or to Lloyds Bank, Hagger Lane branch, 5 Ashbourne Parade, London W5. (Food for Poland Fund, account No. 0005805).

## World View

by Arrigo Levi

## Changing policies to suit America's mood

America is a country of moods: not just in the sense that they tend to change spectacularly, but that at any particular moment the emerging mood usually sweeps the whole country.

America, thanks to television and to its being a continental nation-state, distant from its counterpart in the global power game, feels and behaves like a typical twentieth century "national village".

At present America is in one of its moods and the rest of the world had better take notice. European governments would not have announced so swiftly that they were normalizing relations with Iran if they had been sufficiently aware of the strength of America's feelings about the hostages.

They would at least have allowed a decent delay of a few days before giving the impression that they had forgiven Iran for such a barbaric crime, which had forced America to reconsider its very place and mission in the world today.

An additional element defines the present mood of America as different from all other similar states in America's past. The hostages' episode, together with the Soviet invasion of Afghanistan, has suddenly brought home the uncomfortable fact that there are in today's world precise and uncomfortably narrow limits to America's power to shape the world according to its ideals, interests and hopes.

This again may lead to alternative, even opposite policies: either to an attempt to reconquer the goodwill of the world by shaping America's foreign policy according to its goals of liberty and equality, or to an attempt to reassert American power through a jump in military expenditure and a "realistic" foreign policy, which supports anybody who is pro-American (and anti-Russian), whatever his moral and ideological values may be.

In the rest of the world the hostages had been long forgotten. Not so in America, thanks to the continuous presence on television of the hostages' families, which had become a recognized presence and political force in American life.

The fact that even America's best friends did not share or understand the intensity of its feelings tends to increase the country's dangerous feeling of being isolated and misunderstood, if not betrayed, even by those who owe America their very freedom.

Due to these circumstances, America is more than ever aware of the uniqueness of its

identity and condition in the world, as well as of its poignant national unity. It is of such stuff that isolationism is made, though on this same ground opposite policies may take root, of an interventionist nature.

As we know, Mr Carter tried the first policy for two or three years; then, in spite of the fact that he had obtained some results (for instance, in solving the Panama Canal issue, or in dramatically improving America's image in Africa) he ended by embracing, to a considerable extent, the second policy.

President Reagan, who was swept to power by the change in America's mood, will find half his work already done or started by the last acts of Mr Carter. He will have difficulty, as a result, in further increasing America's military expenditure. Nevertheless, he is under considerable pressure to prove that the change of mood is really going to produce a change of policies—and some results.

Unfortunately there is always a gap between moods and policies. When one considers many of the concrete problems they present themselves today to the new Administration, one does not find in Washington any clear indication of what the responses will be.

This applies for instance to such an issue as the Middle East: one can talk to representative figures of the Reagan Administration whose language would delight most Arab listeners, and to others who are the fiercest supporters of Israel.

The same uncertainty exists in security policy, where Mr Caspar Weinberger, Secretary of Defence, does not yet seem to be in control. It is not known what his priorities will be: servicemen's pay, or the strengthening of America's strategic deterrent? MX missiles, or a renegotiated agreement on ABMs? One does not even know how much he intends to spend, or not to spend, above the real conflicts inside the world which was a formidable one.

On these and other problems, including the central one of if and when to try a new negotiating approach to the Soviet Union (at once, or only after America has, hopefully, become stronger?), there may have to be real conflicts inside the Administration before we know in which way America's present mood will translate itself into policies.

In the meantime, President Reagan's main preoccupation—world conflicts—will be the American economy.

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## Jamaica Premier welcomed to White House

From Our Own Correspondent  
Washington Jan 28

President Reagan today sought to carry out his election pledge to improve relations between the United States and its closest neighbours by welcoming Mr Edward Seaga, the recently elected Jamaican Prime Minister, to the White House.

The visit is the first to Washington by a foreign head of government since Mr Reagan's inauguration a week ago. The only other foreign leaders to have met the new President since the November election are President José López Portillo of Mexico and Herr Helmut Schmidt, the West German Chancellor.

## CIA chief confirmed

Washington, Jan 28.—The United States Senate has voted 95 to nil to confirm Mr William Casey, aged 67, as Director of the Central Intelligence Agency. Mr Casey was intelligence chief in Europe with the Office of Special Services during the Second World War.

## Vietnam war soldier cleared of desertion

From Our Own Correspondent  
New York, Jan 28

Three charges against Marine Private Robert Garwood, the only serviceman accused of treason in the Vietnam war, were dismissed by the judge at his court martial yesterday. The main charge of collaborating with the enemy stands, however, and the five-man jury

## Mr Sharon defends plan to reward builders with land

From Moshe Brilliant  
Tel Aviv, Jan 28

Mr Ariel Sharon, the Israeli Minister of Agriculture, confirmed in Jerusalem today that he proposed paying private contractors for building in the occupied Arab areas by granting them valuable land in Israel's cities.

Leaks about the plan had led to fierce criticism and Mr Sharon, speaking in the Knesset, asked: "What is wrong with it?"

"The country will benefit twice," he said. "Once when homes rise in Karnei Shomron, Galilee, Ariel and Kedumim and again when the same contractors build homes in the heart of the country."

Mr Sharon said the proposal had been discussed with officials of the Finance Ministry but he acknowledged that it had not been proposed to the Cabinet of the Council of the Israel Land Authority, the first steps needed to put the plan into operation.

He said he had conferred with contractors, explaining that the state could not finance

the housing needed due to budgetary problems.

Contractors interviewed in the media were dubious about the plan. One said: "It's a wedding on the moon." Mr Teddy Kollek, Mayor of Jerusalem, said that if public land in the city were sold, he would want the proceeds to build schools. He warned contractors that he would do his best to deny city permits to build on land which the contractors obtained through a deal with Mr Sharon.

Mr Sharon, the main Cabinet proponent of speedy settlement in the occupied areas, was seen to be trying to start as much development as possible in the months before the coming general election, to present a future government with a fait accompli.

The Labour Party, which is expected to win the election to be held probably in June, proposes offering much of the West Bank and Gaza to Jordan in a peace treaty and favours confining Jewish settlement to areas that Israel must keep for its security.

struck an American prisoner has been allowed to stand.

During the 11-week trial at Camp Lejeune, North Carolina, the defence has not sought to prove that Private Garwood did not collaborate with the enemy. Their argument has been that he was at the time mentally incapacitated and unable to appreciate that what he was doing was wrong.

## Ayatollah denies party rift over hostages

From Tony Allaway  
Tehran, Jan 28

One of Iran's most powerful clergyman today denied reports that prominent members of the dominant Islamic Republican Party (IRP) had resigned over the hostages deal.

"No, this is only rumour," Ayatollah Muhammad Beheshti, head of the Supreme Court and the leader of the IRP, said.

He acknowledged that there had been differences within the party over the freeing of the hostages. "No party can have (one) idea on every subject, but when the majority of the party have an idea the minority will follow."

But he told a press conference that remarks by another prominent IRP clergyman two days ago of resignations over the hostages had no relation to the party itself.

Ayatollah Beheshti said the Government had done its best in the negotiations. Iran assured: Mr Terence Waite, the Archbishop of Canterbury's special envoy to Iran, was told at the Iranian Embassy in London yesterday that the Government in Tehran wants the four detained Britons to be released as quickly as possible.

They are Miss Joan Waddell and Dr and Mr John Coleman, all missionaries, and Mr Andrew Pyke, a businessman.

After his discussion with Dr Seyfollah Eshdadi, the Iranian Chargé d'Affaires, Mr Waite said that on the strength of his assurances he would not request a visa to visit Iran.

## Mr Haig rules out supply of arms to Tehran

From Patrick Brogan  
Washington, Jan 28

Mr Alexander Haig, the Secretary of State, said today that no military equipment will be supplied to Iran, fulfilling neither previous orders nor new ones. Those arms that Iran had ordered and paid for before the American Embassy was seized in 1979 will probably be sold elsewhere and the proceeds returned to Iran.

Mr Haig was asked at a press conference whether any sanctions, such as a new trade embargo, would be invoked against Iran in retaliation for the mistreatment of the hostages. He replied that he would not speculate on the question and that "the period ahead is going to clearly demonstrate the nature and character of the Iranian regime's post-hostage-return attitudes."

There are additional American hostages in Iran, one with a clear citizenship connotation, and a host of other concurrent obligations which make that question premature.

He said that although the ban on trade with Iran had been lifted Americans had been warned of the undesirability of travelling there. "Until further deliberations had been made with respect to future commercial arrangements, it is my view that the most careful caution should be applied by American firms."

He anticipated that the United States would "fulfill its obligations (to Iran) within the context of domestic law and international practice."

The Secretary of State said that the President's warning against future acts of terrorism, delivered yesterday, was consciously ambiguous "to leave some doubt in people's minds over possible American reaction. He added that controlling international terrorism would be one of the new Government's main priorities, replacing the Carter Administration's concern over human rights."

Mr Haig opened his press conference by praising the State Department's professional staff, which he has inherited, "together with a number of augustees" from outside the foreign service.

He welcomed President Giscard d'Estaing's proposal for a summit meeting to discuss ways of dealing with the continued Russian occupation of Afghanistan, and suggested that any such gathering should include the Islamic countries.

Mr Haig expressed his concern about Soviet expansionism: "Not just in this hemisphere but in Africa as well, we have seen in that process the exploitation of the Cuban proxy."

He repeated the argument he advanced during his confirmation hearings in the Senate, that Americans often underestimate Europe's contribution to the common defence. He said that every member of the alliance could do more, but recognised some members' economic difficulties.

"I would like to see a wider recognition of what Europe is doing," he stated.

## US plans to redress its 'inferior military position'

Washington, Jan 28.—Mr

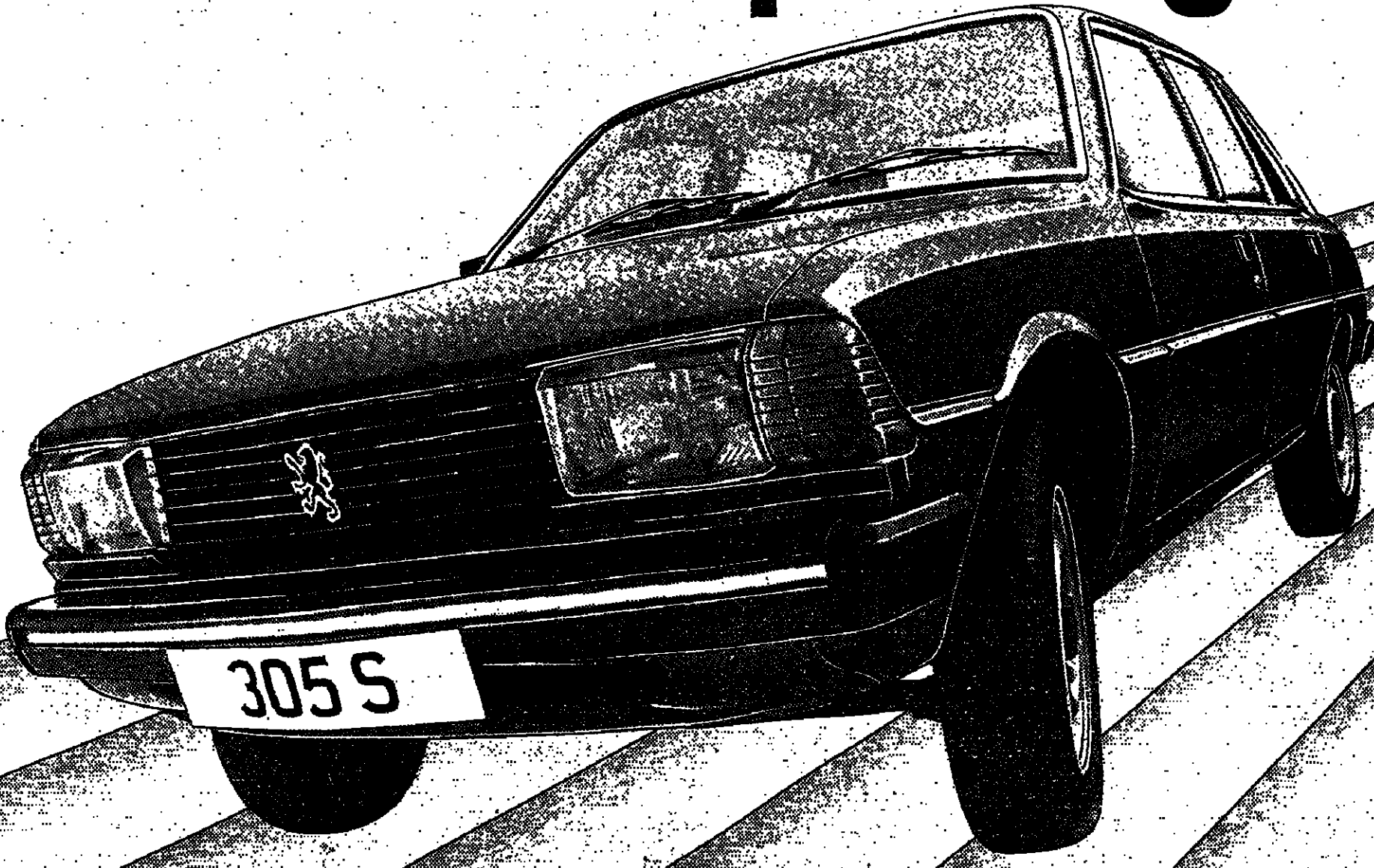
Caspar Weinberger, the new United States Defence Secretary today criticized military budget proposals made by former President Carter and said that the United States armed forces were in "a far less than satisfactory condition."

His criticism of the military spending plans announced by Mr Carter before leaving office last week coincided with a report by the United States Joint Chiefs of Staff that the military balance was shifting against the United States and its allies.

In testimony prepared for the Senate armed services committee, Mr Weinberger said that the Carter budgets for 1981 and 1982, calling for outlays of \$158,000m (\$55,800m) and \$180,000m reflected "a much more tranquil view of the international political scene than actually exists."

The Reagan Administration "will build enough, and I hope in time, to redress the inferior position we now occupy" compared to the Soviet armed forces. He did not disclose what budget increases he would propose next month.—Reuter.

## The New 100mph Peugeot 305-S



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PARLIAMENT, January 28, 1981

## Review of leave arrangements for special hospital patients

House of Commons  
Miss Janet Fookes (Plymouth, Drake, C) asked the Secretary of State for Social Services if his review of leave arrangements for special hospital patients had been completed.

Mr Patrick Jenkin, in a written reply, said Ronald Scales was convicted in May 1980 of the murder of a young girl while he was on leave from Broadmoor Hospital and following his conviction, I asked for urgent consideration to be given to what lessons could be learnt from this case.

The review of arrangements for sending patients on leave, which was not confined to Broadmoor but covered the four special hospitals in England, was carried out by officials of my Department and the Home Office in consultation with staff at Broadmoor and the other special hospitals. I accept the review team's conclusions.

As well as looking closely at the arrangements made for Ronald Scales's leave, the review team collected information about the use of leave for other patients. Their report concludes that, while no improvements in leave arrangements could guarantee that a

similar tragedy will never happen again, some lessons can be learnt for the future. The review team have appended to their report a series of guidelines on the main steps to be taken when a patient is sent on leave.

The guidelines cover consultation within and outside the hospital about the proposed leave, the passing of information to relevant agencies and individuals, the selection of a suitable hostel for a particular patient, and the arrangements for supervising patients on leave.

The team have suggested that these guidelines should be made available to the special hospitals for their immediate use, and that they should then be reviewed at regular intervals. The Home Office will be asked to consider the guidelines and their experience of using them.

One particular question considered in the review was whether the police should always be alerted to presence in their area of a patient on leave from a special hospital. It is already Home Office practice to notify the police when a restricted patient (one who is subject to special

restrictions set out in Section 65 of the Mental Health Act 1959) is sent on leave.

The review team have recommended that the police should also be notified of leave arrangements, unless the responsible medical officer is satisfied that there are special circumstances which make this inappropriate for patients who, though not now restricted, have previously been subject to restrictions (as Scales had) and for patients who, though never subject to restrictions, have been convicted of a serious sexual or violent offence.

There will be very few, if any, of these because the British child who is sent on leave from a special hospital will almost certainly have been subject to a restriction order.

With other unrestricted patients, the police could not normally be notified unless the responsible medical officer is satisfied that there are special reasons for doing so.

I shall be arranging for the report and appendices to be sent to the special hospitals as the team recommend, and will be considering how their conclusions can best be made known to other interested agencies and organisations.



Centenary celebration: Mr George Thomas, Speaker of the House of Commons meets the chairman and some press gallery members who gathered at the House to mark the gallery's centenary year.

## Safety by rail: not a passenger killed

Provisional results showed that in 1980, for the third time in five years, not a single rail passenger was killed in train accidents, Mr Kenneth Clarke, Under Secretary for Transport, said during questions.

Mr Edward Leadbitter (Hartlepool, Lab) had asked for a statement on safety standards performance in the railways for 1980. Provisional results show that, in 1980, for the third time in five years, not a single passenger was killed in a train accident.

The incidence of potentially serious accidents was the lowest ever recorded. This is a fine achievement and I congratulate all concerned.

Mr Leadbitter: The nature of my question referred to safety in relation to the investment programme and the expansion of the programme.

Sir Peter Parker has expressed the gravest concern yesterday

the Newcastle divisional manager of the R.R. addressing another MPs' meeting, that the need for more investment to cover up the backlog of work on track and equipment. The general secretary of the R.R. has also expressed concern.

Mr Clarke: The Secretary of State has stressed the importance he attaches to investment in the railways. He has made it a priority in his annual statements at their present levels despite the economic crisis.

Track renewal had been taken by us out of that investment ceiling. We are anxious investment should continue and maintain that satisfactory high level of safety.

Mr Gordon Bagler (Sunderland, South, Lab): The condition of some of the track is very much in need of replacement and repair.

Mr Clarke: We are quite satisfied that within the renewal resources it will be possible to maintain rail stock to the standard we all desire.

## Britain's trade with Spain increasing in spite of dispute over Gibraltar

House of Lords  
If the British-Spanish Agreement on Gibraltar remained unfulfilled it could become a major issue in the current negotiations between Spain and the EEC Commission, Lord Bethell (C) said during a debate on Gibraltar.

He said it could make it even more difficult for Britain to support Spain's application for entry to the Community. This was at a time when Britain was perhaps the most enthusiastic EEC member pressing for Spain's accession.

The agreement signed in April, 1980, was as much in the interests of Spain as the United Kingdom, the Atlantic Alliance and the EEC.

Since then there had been no progress and restrictions still existed which prevented people of Gibraltar from communicating with their relatives and friends across the border with Spain.

Lord Gormley-Roberts (Lab) for the Opposition, said he did not regard Gibraltar as a Spanish possession to be handed over to the EEC as being linked.

While we wish to do everything to smooth the entry of Spain into the Community (he said) we cannot envisage even the possibility of our agreeing to a corresponding change in the status of Gibraltar without the full and free acquiescence of the people of that state.

Lord Gladwyn (L) said that if Spain joined the EEC, and there was no agreement on Gibraltar, the whole future of Gibraltar, this hot potato between Britain and the Spanish Government, must be considered from the European point of view.

Lord Boyd-Carpenter (C) said no British Government could hand over 25,000 loyal Gibraltarians to any foreign or alien power which they themselves were not prepared willingly to accept.

Lord Greenwood of Rossendale (Lab) said Lord Carrington and Sir Ian Gilmour were to some extent the prisoners of policy evolved by previous administrations. In the circumstances, they did not have the option of doing what they should plan no concessions. All they needed to do was to say clearly and repeatedly that Britain

was there and would stay there until the people of Gibraltar asked her to leave.

Lord Carrington (C) said the greatest service to Gibraltar would be to help it to develop and build economic independence. The removal of the barrier to the growth of the frontier would perhaps be the greatest single thing to benefit Gibraltar's economy.

Lord Carrington, Secretary of State for Foreign and Commonwealth Affairs, said the growth of the Gibraltar economy, quite apart from developments on the social and political sides, demonstrated the hardness of the policies of restricting the country economically and politically.

Under the Lisbon Agreement anything could be discussed in the negotiations. The British Government would never enter into negotiations under which the people of Gibraltar would pass under the sovereignty of another state against freely and democratically expressed wishes. Nothing could be clearer than that.

The main hold-up in recent months had been over the clarification of the agreement. The Lord Privy Seal (Sir Ian Gilmour) said the British Government was concerned fundamental rights of British citizenship. In some cases, long established rights were being denied to British citizens.

It is our view (he said) and the view of most commentators that this is not a nationality Bill but an immigration control Bill. Much had changed since 1948, not least the growing number of colonies becoming independent nations.

They needed a positive statement of nationality from which then a system of immigration control could flow without any discrimination between the races and the sexes. The Bill discriminated in both parts. It was not a nationality Bill dressed up to look like a nationality Bill.

Since the Bill was based on the Government's prejudices concerning entry and settlement it inevitably discriminated against the black population of the United Kingdom. (Conservative cries of "Rubbish".)

The Bill was racist. There were in his constituency examples of two families living in neighbouring houses, both of them made up of British citizens, both of them theoretically enjoying equal rights under the law. They would not mind stating this Bill that they had identical rights.

A child born to one of those families if the mother happened to be on holiday in Spain, would be automatically British. A child born to another family, if the mother happened to be with her mother in Islamabad, would not be automatically British.

These were two families living side by side theoretically equal under the law whose rights were changed by this Bill. The difference between the two categories

## Bringing citizenship and right of abode closer together

The Government was doing nothing to suggest that the British citizenship law should give a better idea of where people belonged, Mr William Whitlaw, Home Secretary, said in moving the Bill.

Mr Whitlaw (Penrith and the Border, C) said that it had been common ground for many years that the present nationality law was out-of-date and needed replacing.

The basic principle on which the present and present Governments had proceeded was that in the Labour Government's green paper which said that "there must be a more meaningful citizenship for those who have close links with the United Kingdom". It was easy to state that principle, but it was more difficult to put it into practice.

Citizenship was a sensitive matter about which people felt strongly. They were naturally concerned about changes which they felt could affect them in important ways.

It was understandable that in such a climate, fears and anxieties, sometimes unwarranted, were aroused. Where there was a case for making changes to the Bill to allay such fears, that could be considered. In many cases, the fears which had been expressed were wholly misplaced.

The main reason why it was necessary to replace the law was simply because the citizenship created by the British Nationality Act 1948 no longer gave any clear indication of who had the right to enter the United Kingdom. Citizenship and the right of abode, which ought to be related, had become separated company with each other.

One could be a citizen of the United Kingdom and colonies and overseas territories, and yet not have the right of abode in the United Kingdom. Conversely, one could have the right of abode in this country without being a citizen of it.

Soldiers of the present citizenship might not naturally be encouraged to believe, despite the harshness of the law, that they had a right of entry to the United Kingdom.

We are doing nothing new (he continued) in the new Bill. Citizenship should give a better idea of where people actually belong.

It was proposed that there

should, besides British citizenship, be a new category of British overseas citizenship. That did not mean that for practical purposes the position of any of those who would have been British overseas citizens under the green paper proposals would be altered.

It was claimed that Clause 1 (Acquisition by birth or adoption) was racially discriminatory. He did not understand the basis for that claim.

The clause said that a child born here should be a British citizen if his or her parents were a British citizen or were settled here.

The provision took account of the increasing numbers of children born to visitors, students and others who were here only temporarily. It would also cover children of illegal entrants and overstayers. A person's racial origin was not relevant.

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registration or naturalization, should not automatically be able to pass on that citizenship. The Bill provided, however, for registration of a child who had lived in Britain for three years with parents, and where both were settled.

He did not see how a suggestion of discrimination against women could seriously be made.

The Bill preserves for a transitional period of two years the right of a woman to acquire citizenship by marriage.

Otherwise, the Bill provided for equality of treatment in almost every area. Most important, however, was the right of women as well as men to transmit British citizenship. It was an important step towards equality.

Mr Hattersley, the Opposition spokesman, who had made the criticism, was apparently referring to proposals for acquisition of citizenship by spouses. He apparently called them sexually discriminatory but accepted that husbands and wives were treated equally.

This is so (he said). How it can be said that a provision which treats husbands and wives alike is discriminatory against women, I find impossible to comprehend.

No provision deprived people living in this country of their civil rights. There was no intention to use the Bill in that way. To suggest that the Bill should also cover civic rights and responsibilities was self-evidently unrealistic.

It was unfair to criticize the Government for doing what had already been done by the United Kingdom as a self-contained area calling for its own separate legislation. The Labour Government had not done that.

The Bill provided generally for children born abroad in the first generation to become citizens by birth, and was in Crown service, or service designated as closely associated with overseas activities of the Government. The British Council was an example.

Citizenship could be transmitted by registration overseas where the mother or father were citizens and working overseas in jobs with a close United Kingdom connection.

included here were United Kingdom first with overseas branches. These provisions would replace the present arrangements for consular registration and would apply to births in the Commonwealth, too.

A husband or wife of a British citizen could apply for naturalization after three years' residence but for other people the period would be five years. At present a wife, but not a husband, had entitlement to acquire citizenship immediately on marriage.

The basic preliminary requirements for naturalization were five years in this country, good character, knowledge of the language and an intention to live here or be employed in Crown service or some other United Kingdom based employment.

Some people argued that the criteria for naturalization should be more specific. They often used the word "objective" and felt there should be a right of appeal against refusal. But the green paper and the White Paper set out powerful arguments against appeal rights here.

The arguments against an appeal system remained compelling. Such a system would certainly be expensive in terms of public service manpower.

Furthermore, because it would mean a system of objective tests, it was difficult to see how the criteria for citizenship could continue to operate.

The Bill corrected an anomaly. At present, if a woman who was a citizen of the United Kingdom and Colonies had a child overseas and that child was stateless, it had an entitlement to registration as a citizen of the United Kingdom and Colonies. A side effect of acquisition of citizenship in this way was to give the child the right of abode in the United Kingdom even if the mother did not have it.

That was clearly illogical, so the Bill provided that such children should have the same status as their mothers whether they be British citizens or citizenship of the British dependent territories or British overseas territories.

The Bill provided for a composite citizenship covering all the dependent territories. The Government was aware of the strength of feeling about this, and wanted to maintain the ties between that territory and the United Kingdom. It wanted to reaffirm that the proposed legislation was in no way

intended to weaken those links to which the Government attached great importance.

He understood the feelings of some of the dependencies who felt that their particular situation was special. The Government had taken with great seriousness the approaches made to it by Gibraltar.

It was obviously important that the Gibraltar House of Assembly had unanimously passed a motion asking the Government to reconsider so as to categorize them as British citizens. The position of the Falkland Islands was completely different. It was a uniform way throughout those territories. Unimaginable confusion would result if this were not so.

He wanted to stress, however, that the Bill in no way altered the position as regards the United Kingdom's moral and constitutional responsibilities for the territories in question. Nor did it in any way affect the special position of Gibraltar as part of the European Community.

He could assure the Falkland Islands that they could depend on the most sympathetic consideration of their position.

Apart from those who wanted their special relationship with the United Kingdom emphasized in the Bill, the provisions of the Bill for dependent territories were, as he understood it, broadly acceptable to those territories.

He hoped that by outlining the main provisions of the Bill he would have demonstrated that, understandable as they were, there were no real grounds for some of the fears which had been expressed.

I am most concerned to remove the basis for the existing mis-understandings and an anxious people should not be alarmed unnecessarily. I emphasize yet again that the Bill will not adversely affect the position under the law of anyone who is lawfully settled in the United Kingdom.

The Bill provided the comprehensive legislative framework for citizenship legislation that had so long been required and which it had long been the duty of the Government to introduce.

## A time bomb beneath the surface

Mr Enoch Powell (South Down, Off U) said that by a disastrous error, it was decided in 1948 to jump hundreds of people within the dominions under one title and citizenship and to describe them as citizens of the United Kingdom and Colonies.

There could have been (he said) no more crass offence to common sense than to create a citizenship to which no reality, no actuality, corresponded.

The Bill as it stood would not solve some of the problems confronting the country. It had retained the ragbag principle which had landed Britain with citizenship of the United Kingdom and Colonies.

They should have faced the reality of the dependent overseas territories and, however difficult it might be, endowed them with a citizenship of their own which would at least have a definite meaning in relation to each of the territories.

The Bill did not bring together status on the one hand and rights and duties on the other.

It was acceptable to persons who had the right of residence in this country, who had acquired and were exercising that right perfectly, but it was not acceptable to those who were thereby becoming qualified to create in their offspring in this country British nationality.

Mr Enoch Powell (East Aberdeenshire, C), chairman of the British Gibraltar Group, said the passing of this Bill would give the Government a proper administration the right to withdraw concessions and place restrictions upon the people of Gibraltar.

The Bill's provisions threatened Gibraltarians' deep sense of patriotism.

Mr Enoch Powell (East, Lab) said the Bill demeaned them as a society. It was an illiberal, un-British and un-British measure which did not command it. Once again a Government had pandered to fear, prejudice and racism.

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## Off-licences Bill rejected

The Licensing Amendment (Off-licences) Bill which was negated was condemned by Lord Jacques (Lab) as a move by one section of the Government to restrict the

The impetus for the Bill came from the licensed victuallers, the people who had the public houses, and was a move against the off-licence trade, particularly self-service shops.

Lord Inglewood (C), moving the second reading, said the Bill was designed to tidy up a small corner in the jungle of licensing laws.

The Bill would prevent a layout where the shopper would take from the shelves everything he needed, including alcoholic liquor.

Lord Byers (L) said he opposed the Bill. It was a thinly disguised attempt by the public house owners, managers and tenants to recover some of the off-licence trade which they had lost.

Lord Auckland (C) said it was not an anti-drink Bill or an anti-supermarkets Bill. It was a Bill to try to ensure that the off-licence trade applied in reasonable condition to all outlets selling alcoholic refreshment.

Lord Belstead, Under Secretary, Home Office, said the Government was always willing to consider any constructive proposals which might help reduce the levels of alcohol misuse. But it was not convinced the Bill would contribute significantly to a reduction in alcoholism among young people and women.

House adjourned, 9.42 pm.

## Peers want English language simplified: Anglo-Saxon neglected since 1066

There was concern at the modern tendency of using more words than necessary and the general sloppiness of sentence structure. This was the fault of the way English grammar was taught in schools.

Lord Airedale (L) said there was no question that if there was to be a world language it would be English, but whether it would be English or American English was uncertain. He was in favour of English.

The Americans, although they economized a little in the spelling, undid it by doing a work by the American spelling of the word to the shorter.

An Englishman left his flat by the lift and got into his car, to go and see a film. An American left his apartment by the elevator and got into his automobile to go and see a motion picture.

Lord Bridge of Harwich, in a maiden speech, said that one area where the cry for simplification was by no means new was that of legislation.

The answer was that Parliament legislated on many subjects, of which the fixing of compensation for compulsory purchase was a good example where 90 per cent of the completed legislation was found to be wrong.

Lord Mancroft (C) said government and Parliament were responsible for so much gobbledygook which was a legal minefield for the layman. There was a need for simplification of legislation.

Lord Davies of Llanelli (Lab) said that to develop brevity and precision in the language of the law was a task which should start rather than to depart and spit rather than explicate.

Anglo-Saxon since 1066 had been neglected. When new words had been needed they had been taken from Norman-French and Latin. The result of the Battle of Hastings was a blow to brevity from which the English language had never recovered.

It was time they went back to the Anglo-Saxon language. It was not as easy to simplify the language as people thought. As a language went into the world it was important that it should not remain a language, but remain English.

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One of the things which made him feel most strongly about the amendment was the fact that it was impossible for a wife or husband to join a wife or husband in this country. It took a long time to get a citizen's view in the country of origin and another two years for a judgment.

The Opposition would like to see a new Bill, the British Bill, which should embrace everyone born or adopted in the United Kingdom, everyone born or adopted overseas whose parents were United Kingdom citizens and wives and husbands of British citizens.

The category of British overseas citizen was not so much a status as a label. It was a label for people who were not British citizens, but who were entitled to the rights of permanent settlement and the Government should take the initiative in arranging discussion with the Commonwealth countries to clarify and regularize their status.

After those discussions, many of those citizens would have to be naturalized. It would be a long and costly process. It would be a long and costly process. It would be a long and costly process.

The course he had suggested would be a positive step towards immigration. It would not have a substantial effect even in theory. In practice the additional immigration would be negligible, but some people would seek to represent it as a virtual open door policy.

What he had said provided nothing of the sort: it was simply a Nationality Bill which was free from race bias. If by enacting that as clearly as they could Labour would lose some votes, then so be it.

Lord Fraser of Kilmorack (C) said that the last week, pretty well everything on television had been

to do so the White Paper indulged in a very largely squalid piece of double talk.

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## THE ARTS

## An actress to arouse the passions

She is 43 now, although she looks 10 years younger, one of the world's most famous faces, one of America's most controversial figures. A recent opinion poll found that 49 per cent of Americans held her "in high regard", 45 per cent "in low regard", and only 6 per cent had no opinion; even Presidents generally pull at least 20 per cent of "don't know's".

But the passions Jane Fonda aroused in the early 1970s, when she toured the country speaking out against the Vietnam War, do not dispel easily. It took her six years, working through her own production company, to mount the film *Somebody's Daughter* for the part of Sally Hyde, the woman who falls in love with a paraplegic Vietnam veteran, rehabilitated in the eyes of Hollywood at least. Then came *The China Syndrome* (co-produced with Michael Douglas), another combination of social relevance and commercial success.

Now IPC—her company is named after the Indo-China Peace Organization, an old activist group where Fonda first met her partner, Bruce Gilbert—has completed its third film, *Nine to Five*, which opens in London next week. It is a comedy about secretaries and office life with the comedian Lily Tomlin, the country singer star Dolly Parton, and of course Miss Fonda. It represents a change of pace from all those television reporters and career women she has been playing of late.

"My ideas for films always come from things that I hear and perceive in my daily life. In this case, a very old friend of mine had started an organization in Boston called 'Nine to Five', which was an association of women office workers. I heard them talking about their work and their lives, and I thought, 'This is a great story. And I've always been attracted to those 1940s films with three female stars.'"

"At first we were going to make a drama. But any way we

did it, it seemed too preachy, too much of a feminist line. I'd wanted to work with Lily Tomlin for some time, and it suddenly occurred to me that we should make it a comedy. It remains a 'labour film', but I hope of a new kind, different from *The Grapes of Wrath* or *Salt of the Earth*. We took out a lot of stuff that was filmed, even stuff the director, Colin Higgins, thought worked but which I asked to have taken out. I'm just super-sensitive to anything that smacks of the soapbox or lecturing the audience."

Jane Fonda worried about lecturing an audience? It seems different from the synthesis between politics and showbusiness, between her work with her husband Tom Hayden and the Campaign for Economic Democracy and her activities on the film set. She is more relaxed than she used to be, and surer of herself.

"I spent 20 years as an actress having no control over my own work, and frankly I didn't enjoy it all that much. There were a couple of parts—*Kluge* and *They Shoot Horses, Don't They?*—which were good experiences, but that's all. When it became hard for me to get roles in the early 1970s, because of my politics, I thought very seriously about going to acting school. I was really friends who persuaded me otherwise. Instead, I formed IPC with Bruce and decided to develop my own projects, and that made all the difference to me. The film work I do, the kids making *The Workout* [her Los Angeles exercise studio] is a successful business. That's what my life is about now, along with raising money for CED. Surprisingly, she found Ronald Reagan's victory in the United States Presidential election far from dispiriting.

"Yes, of course, Reagan stands for everything we're opposed to. But when he won,

I felt that old feeling of wanting to participate again. Not because of Reagan but because of the Democratic Party. There's a vacuum on the Democratic side now which I think is pretty healthy. The people who were running the party were people from the New Deal era and that doesn't work any more. As a matter of fact, my hope lies with the women *Nine to Five* was made for. I really believe this is going to be a decade of women and office workers. Most office workers are women, and at the same time women are being forced out of the home and into jobs because a family needs two salaries these days. It's an interesting two-way pincer movement."

"I always research all my characters, and for *Nine to Five* I went looking for women who had begun work in the life, due to divorce or being widowed. I think my political activism actually helps me as a film actress because I don't live isolated from everyday problems or everyday life. I'm not just mixing with wealthy people. What I found was that secretaries know the work they do is important, is skilled, but they also know they're not treated with respect. They call themselves, 'office wives'. They have to put gas in the boss's car, get his coffee, but the presents for his wife and mistress. So when we came to do the film, we said to Colin [Higgins], OK, what you have to do is write a screenplay which shows you can run an office without a boss, but you can't run an office without the secretaries."

While *Nine to Five* was being edited, Fonda was up in New England making *On Golden Pond* with Katherine Hepburn and her father, Henry Fonda, the first time father and daughter had acted together. "I have a small part in the movie, but it's a 43-year-old woman who has never gotten what she needs from her father and how that cath-

arsis has to occur before she can move on in her life." Fonda pauses, well aware that she and Henry Fonda were estranged for many years. "It was one of the most moving experiences of my life, playing that part with my father. He's been very, very sick. He's all right now, but sometimes I look at him and it's like looking at a parchment with a candle behind it."

Her next film for her own company will be *Roll Over, Betty*, directed by Alan Pakula, who worked with her in *Kluge*. "I depend on my director. I'd never want to direct myself. I like to be told what to do and when I am doing wrong. And when the day is over, I like to go home and forget about it, which is virtually impossible if you're the director."

"*Roll Over* is the most ambitious film Bruce and I have tackled. I play a businesswoman, but right at the center of the person at the top. That insular, isolated world of the very rich and powerful. We did three years of research with the government and in banks—the film is set in the banking world. I think I've got it right."

Fonda and Gilbert also have plans to move into television, starting with a series based on *Nine to Five*. "I am aware that a whole lot of people never go to the movies. I even approach an elitist attitude about television, like if you were a television actor you were only waiting for the day you could break into films. But the sheer quality of people whose main form of entertainment is television is too great to ignore that audience. Reaching as many people as possible is very important to me."

Joan Goodman

Jane Fonda in *Nine to Five*

## Packing a punch

RPO/Masur Festival Hall

Paul Griffiths

There was something thunderous and mighty about Tuesday's concert by the Royal Philharmonic Orchestra and Kurt Masur. No doubt it had much to do with the presence at the end of the programme of Beethoven's fifth symphony, but the effect rippled back right through the evening, even to Bartók's *Divertimento* for strings at the start. And a *divertimento* really ought to be allowed to be more engaging and spirited. The use here of a full symphonic string contingent, playing coarsely, encouraged Mr Masur in his fierce dynamism, and within that context the solo passages would have sounded frail even if they had been better performed.

A strong lead from the conductor was, however, a real advantage in the concerto, Mendelssohn's second for piano, in D minor. It was not that the soloist, Andras Schiff, did not have ideas of his own; indeed, right from a silky arpeggio whisked up the keyboard in the opening bars, this was a performance that found a palpable musical sense in every phrase, apart from being simply beautiful in tone. But the dramatic and sometimes gruff accompaniment in the first movement was needed to set the stage. Less welcome was the sentimental solemnity, recalling the worst of Mendelssohn's religious music, that Mr Masur introduced in the slow movement, and that Mr Schiff smartly turned into the fresh poetry of a song without words.

The Beethoven performance was notable for using the edition by Peter Gülke whose most surprising feature is the whole sale deletion of the scherzo and trio before the adventuring into the finale. Whether or not this was Beethoven's final intention for the symphony is unclear; what is certain is that the extra weighting of the third movement makes the work's progress even more powerful.

So it seemed to a prodigious extent in this account, where Mr Masur was never loath to change the whole orchestral climate from moment to moment. There were marvellous effects like the trumpets' procession in the slow movement, falling to leave an echo on the horns, or the textured interplay of woodwinds and pizzicato strings, or the sense of novelty in the entrance of the piccolo, but it needed a stronger stomach than mine to stay with Mr Masur quite to the end.

Amadeus/Klien Queen Elizabeth Hall

Noël Goodwin

What should have been the second stage in a journey through the Beethoven quartets had to become a Mozart programme instead on Tuesday with only three-quarters of the Amadeus Quartet able to keep the date. Their second violinist, Siegmund Nissel, has been ill, and although I understand he is convalescing well they have decided that the next concert in two weeks should also be changed to Beethoven trios instead of quartets.

Much of their programme this time was given to the only string trio by Mozart, which he perversely called a divertimento, presumably on account of it having six movements. In spite of that the players took a serious view of it, which yielded plenty of attractive moments in the first half, once they had accustomed themselves to the new balance of tone and texture. The work is indeed notable for its equality of interest between the individual parts, and Peter Schidlöf in particular relished what must be Mozart's most rewarding writing for the viola.

The four variations of the fourth movement, through to the end and however a certain stolidness clouded the performance, a reluctance to give way to the humorous intent that Mozart must surely have had in mind in both the variations and the finale on the kind of popular tunes that Papageno might have whistled. As a result the less cheerful passages lacked what strength and character they can gain by contrast when the rest is given more careful phrasing.

Framing the trio were the two piano quartets, in which the string players were joined by Walter Klien as a colleague in the best sense. The first, which should appeal to low and highbrows alike, is his *Metaphysics and Strip*.

NOT TO BE MISSED: Jesse Norman sings Strauss's *Four Last Songs* and Lulu's *Song* by Berg with the Royal Philharmonic Orchestra under Kurt Masur at the Festival Hall (7.30 pm, Sunday).

Martin Huckerby

William Cameron Menzies made films like *The Invaders* from Mars.

What Scorsese now hopes is that the film industry will step in and develop some way of stabilizing colour film. There must be an urgent move to transfer the films to secure mediums. And for future directors and actors must demand in their contracts that their work will be maintained for posterity. For the archivists present, still raising money to transfer monochrome films from combustible nitrate stock, it must have seemed a fond hope.

## The Relapse Old Vic

Irving Wardle

Well before the events that gave rise to John Wells's new prologue ("The axe falls, and our Minister of Arts/Is now a man of more divided parts") *The Relapse* had recommended itself to the Old Vic as one of their economy year popular favourites. And like *Trelawny of the Wells*, it again illustrates the management's tormented policy of playing safe at the box office while simultaneously demonstrating London's need for a third classical company.

The answer Michael Simpson's production offers to this brain teaser is to present Vanbrugh's comedy in its entirety against a rudimentary setting consisting of a few strategically arranged hand props and flown backdrops that make a token appearance between the spectator and the back wall.

It is a touring show, and it looks like one. It also reveals how much more there is to the piece than one character that everybody has come to see. Presented in his full surrounding context, Lord Foppington shrinks into a smallish role, in point of lines; his very appearance is a comic climax (coupled with the vital impact of his every gesture, gesture and ever proliferating ribbons), but around him there stretch quantities of other people's intrigues that pull the show out to some three and a half hours. At last, is the revelation of the work Vanbrugh intended. And there are new insights and pleasures; such as the development of old Coupler (Bob Hervey) into a substantial role, beginning as a ready old schemer and growing in consequence into the intricate thickens, until he finally achieves full authority as an invincible matchmaker.

Another surprise is the full-on baroque masque that Sir Trelawny lays on for Hoyden's wedding; at which point the two evening-suited clarinetists who have supplied anachronistic links between the earlier scenes at last come into their own. The dominant impression,



Celia Foxe, Richard Kay

Photograph by Donald Cooper

however, is of quantities of routine exchanges of high-toned conversation assembled from those clip-together metaphors of storming citadels and coming safely into port, which make considerable demands on the audience's staying power.

That, of course, is a comment on performance. The casting is extremely variable; but, to put it crudely, the men come off much the best. Maureen O'Brien's Amanda has the right blend of rebellious rectitude but without much trace of comic epiphany. Celia Foxe as Berintha is gallantly unlikely as an erotic trouble-maker; never have I heard her *sotto voce* "Help help" as Loveless carts her off to bed—less of a laugh than the men come off much the best. Maureen O'Brien's Amanda has the right blend of rebellious rectitude but without much trace of comic epiphany. Celia Foxe as Berintha is gallantly unlikely as an erotic trouble-maker; never have I heard her *sotto voce* "Help help" as Loveless carts her off to bed—less of a laugh than the men come off much the best.

Length apart, the point about this continuously masked character is that the least interruption of fluency would be fatal to its effect, and Mr Kay sup-

plies the exact image of an inwardly tormented husband maintaining a surface manner of relaxed urbanity that would be fully at home in the more conscience-wracked stretches of Peter Nichols's *Possion Play*. Of the two obvious leads, John Nettles's Foppington takes his cue from one of the girls' lines that the former Mr Novelty is no fool. Under the fills he is as rampant a male as Little Red Riding Hood's wolf; and he also leaves you with some respect for Foppington as a kindly concomb.

The Clumsey household, ornamented with a fine chunky Hoyden from Julia Swift, shoulders habitually bent forward as for a rigger's scrub, is properly dominated by Barry Sagan's Sir Trelawny, a border-honour in whom the former Mr Novelty is no fool. Under the fills he is as rampant a male as Little Red Riding Hood's wolf; and he also leaves you with some respect for Foppington as a kindly concomb.

Reverend Carmine unearth more silly and sentimental songs, exploring particularly the rich vein of Irving Berlin's tunes and lyrics. It is the sort of thing they have been doing in Greenwich Village for 10 years as benefits for Rev Carmine's Judson Memorial Church, the home of one of the most influential Off Broadway theatres since 1961, the Judson Poets Theatre.

It would not quite state the case to say they do it well. Rev Carmine plays the piano well and sings with charm and they find a splendid passing harmony from time to time but their particularly theatrical skills need a more dramatic frame. Mostly they pass musical curiosities back and forth to find another with calculated regularity, from Broadway schmaltz to Hollywood whimsy.

There are real delights in the selections, from "Simba" in the *Bathtub* to "I Love a Piano" but the most intriguing bit is a London audience must be Rev Carmine on his own. Sandwiched between the interval and a return to Jerome Kern and the company, of June Peter Vaughan, Carmine sings songs of his own composition, from the many Off Broadway shows to which he has contributed. He connects them and explains them and conveys a good sense of his unusual ministry, encompassing his concerns from Winnie-the-Pooh to Eighth Avenue prostitution.

The production remains outside its own environment for the rest of the time. With due respect to the Judson Memorial Church, the ideal setting would include the clink of ice in cocktail glasses, or an ocean liner.

## France developing a taste for Britten

Peter Grimes Opéra, Paris

Kenneth Loveland

In acknowledging the status of Peter Grimes, Paris has been less ready than most important musical capitals. Covent Garden took it to the Opéra in June 1948, with Karl Rankl conducting, and Richard Lewis as the title role, but it had not been seen there since until the current performances. In the French provinces it has fared better, with productions in Strasbourg (1949), Bordeaux (1954), and Marseilles (1971). Now it has returned to the Opéra, scoring what can only be described as a triumph. The Opéra has imported production by Elijah Moshinsky, and with it the personified pattern of characterisation and the production's Vickers. Otherwise the cast is new, a team of mostly British, French or French-based artists singing in English and conducted by John Pritchard, who will also direct the work in Cologne in May.

The opening night this week Peter Grimes conquered its audience as it must always do when imaginatively staged, sensitively conducted and played and sung by a cast alive

to the nature of Britten's lyricism. The cheers at the end of Act I were of an order usually reserved for the final curtain of a successful premiere. At the close, the enthusiasm was immense and extended. It is to transfer to the Opéra stage, Moshinsky's production has retained all its virtues of striking simplicity, fundamentally sharp outlines and practical mobility, the designs of Timothy O'Brien and Tazena Firsh have preserved their relevance, and the production's power to give Britten's musical prompting a graphic visual evocation is as immediate and exciting as it was in its home theatre.

Against this background there emerges a brilliantly conceived pattern of characterisation and the production's Vickers. Otherwise the cast is new, a team of mostly British, French or French-based artists singing in English and conducted by John Pritchard, who will also direct the work in Cologne in May.

## Arts agenda

Scottish Opera, faced with possible industrial action over its proposed wage freeze, has postponed a promise of extra funds from the Scottish Arts Council and is now hopeful that a strike can be averted. The last year has been disastrous for the company: its productions have run into increasing losses; in June Peter Ebert, its general administrator, resigned; its deficit stands at £440,000; and it is now planning a reduced programme of just six productions in Glasgow in the coming year.

When it announced the wage freeze last month, the company's effort to clear half the deficit by March next year, there were threats of industrial action by the Musicians' Union. But the arts council, which initially promised Scottish Opera a grant of £2m for 1981-82, has now found an extra £50,000, and this is sufficient to enable the company to offer the musicians a 5 per cent increase. Negotiations are continuing.

Even if agreement can be reached with the orchestra, and with the other unions later this year, the company must make further severe cuts if it is to survive: it wants to reduce the number of salaried principal singers and it is keeping the orchestra at about 55 as planned. The company is currently discussing plans for an appeal and for a self-help campaign by which supporters of Scottish Opera can play

their part in saving the company.

Amid all the controversy about a cancelled first night at Covent Garden, Luciano Pavarotti is a happy if exhausted man. He withdrew from the opening night of *Il ballo in maschera* because his father was undergoing a serious operation in New York, and while he sang in later performances, he says: "In the past two weeks I'm more in the air on Concord than I'm down on the ground."

The operation went well and his father was with him in London on the way home to Italy. Just before the operation they sang an encore together at La Scala, "I said it might be the last chance, and this was the stage where we had to sing." Pavarotti receives between 5,000 and 6,000 letters a year from fans wanting him to make an LP with his father. Now, he thinks, they will perhaps get round to making the record.

On Saturday the Citizens Theatre in Glasgow is opening its production of a rarely seen play which some experts believe is not really a proper play at all: *The Measure* at Paris by Christopher Marlowe. The theatre says that some people think the script which has survived only in fragments edited highlights of the original. "The text is certainly strange. It is a very short play and I think there are 17 murderers."

With a cast of four, playing something like 30 characters, it seems an eccentric project but, directed and designed by Philip Prowse, it sounds as if it has the ingredients to become another of the Citizens' unlikely successes.

Later this spring the company is offering an even more outlandish piece: the premiere of *The Last Days of Mankind* by Karl Kraus—a vast documentary-type epic, written at the start of the First World War when the author, a Viennese, believed the world really was coming to an end. When it failed to end, he refused to let the work be performed. Kraus thought it would have taken 10 evenings to perform, but it has been translated and adapted by Robert David MacDonald to fit into a single evening, which promises, according to the theatre, "a succession of nightmares."

Elizabeth Schwarzkopf, who was in London recently to give a lecture on the interpretation of *Lieder*, is taking on a new mantle later this spring—that of an opera producer. The work she has chosen is one close to her heart: Strauss's *Der Rosenkavalier*, of which she made a memorable recording in the 1950s with Karajan. She will be producing the opera in Brussels in May, with Elisabeth Söderström and Anne Howell in the leading roles.

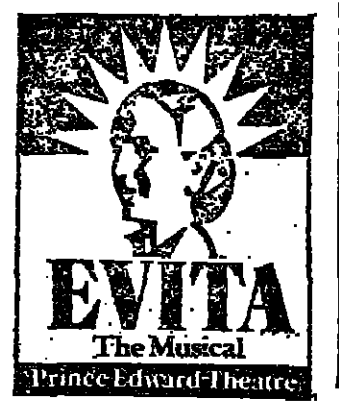
Although she has not pro-

duced an opera before, she says: "I think it is quite natural for a singer who can no longer sing." (She gave her last recital in March 1979.) Her aim is to turn back entirely to the score: "By serving the work, I think I will serve the public." She is not sure whether producing will become a regular occupation in future. "I would only do the things I really do know," she says.

Ken Campbell, settling in as artistic director at the Everyman Theatre in Liverpool, is offering a typically varied programme, which begins tonight with *Lucky Strike* by Krant Alanak, a work composed entirely of B-movie clichés; it will be followed by a play about the country and western singer Hank Williams. Later in the season the premiere of an adaptation of Karel Capek's satirical novel *The War with the Neutts*, and two operatic pieces based on gothic horror stories. Next month there will also be a late night revue by Andrew Dalmeier which should appeal to low and highbrows alike; its title is *Metaphysics and Strip*.

NOT TO BE MISSED: Jesse Norman sings Strauss's *Four Last Songs* and Lulu's *Song* by Berg with the Royal Philharmonic Orchestra under Kurt Masur at the Festival Hall (7.30 pm, Sunday).

Martin Huckerby



Martin Scorsese BAFTA

Nicholas Wapshott

Public speaking does not come naturally to Martin Scorsese. Behind a camera he is elegantly articulate, as in *Mean Streets* or *Alien Doesn't Live Here Anymore*. But in his private life he is shy and in his public life he is almost unrecognisable. He is a chronic asthmatic who is difficult to track down between illnesses.

It is strange, then, that Scorsese has made it his business to embark upon a tour of public appearances of extraordinary length to publicize his passionate concern. Angered by a New York screening of Stanley Kubrick's *2001* where the colour had faded, he discovered that all colour films are at risk. Scorsese has since become a colour film evangelist, starting an almost single-handed campaign to bring the facts to a wider public.

At the British Academy of Film and Television Arts in

Piccadilly on Tuesday evening, he spent nearly three hours rambling around the subject (in Tokyo a similar lecture had taken five-and-a-half hours). What Scorsese said boiled down to this: since Technicolor's three-colour cumbersome process was replaced by Kodak Ektachrome film stock in the mid-fifties, colour films have been deteriorating, their range of colours reduced to pink and blue.

There are a limited number of ways of saving the prints made in the last 25 years. They may be transferred to a three-colour process, which is costly

and bulky, or kept cool in expensive air-conditioned vaults. To prevent current films from fading, the most obvious thing would be to return to the old, stable Technicolor process. There is, however, only one Technicolor factory in the world, in China.

Scorsese backed his thesis with many chilling examples. A trailer for *The King and I* has been deteriorating, the range of colours reduced to pink and blue. A documentary about Van Gogh landscape in *Lust for Life* looked like a Monet river scene. A documentary about cave paintings ironically proved that, while primitive art used colours which lasted for cen-

turies, the art of film-making is transitory. Even the most costly film production ever, the record of the NASA moon shots, is beginning to deteriorate, and there is no going back to take it again.

Scorsese was in some embarrassment because his latest film, *Raging Bull*, out in London next month, is made in black and white on colour film stock. He is converting on the road to colouring the film and found out too late that it will fade like all the rest. He had made *Raging Bull* in monochrome for various reasons, none of them to do with fading, and the

debilitating disease which will affect the print has only hardened his resolve.

He says that the problem has gone past the stage of pointing fingers and laying the blame. What he is concerned about is saving the films. And, most importantly for a man whose career began in the pulp cinema of Roger Corman, he hopes that there will be no discrimination. Many historically important films are not Oscar-winners or critical successes but minor works by little-known directors. *The Creeping Terror* is one of the best films about America in the 50s, he said, and even

William Cameron Menzies made films like *The Invaders* from Mars.

What Scorsese now hopes is that the film industry will step in and develop some way of stabilizing colour film. There must be an urgent move to transfer the films to secure mediums. And for future directors and actors must demand in their contracts that their work will be maintained for posterity. For the archivists present, still raising money to transfer monochrome films from combustible nitrate stock, it must have seemed a fond hope.



Paul Griffiths



## THE ULTIMATE DRIVING MACHINE



Bernard Levin

## Don't ask a policeman

Very early this morning, timing the transaction so that it should be completed before the news-  
paper in which these words  
appear would become available  
to the general public, I sold my  
watch, getting a good price for  
it. If it is still early when you  
are reading me, I advise you to  
drop whatever else you are  
doing—having breakfast, catch-  
ing the 8.15, taking the children  
to school—and follow my  
example, because before the  
day reaches eleven, time-  
pieces of every description will  
be no more than scrap metal,  
so devastating will be the force  
of the revelations I am about to  
make.

It appears that in 1972 a new  
basis of telling the time was  
established by international  
agreement. The details need  
not concern us, particularly  
since I do not understand them  
and I don't suppose you would  
either, but the principle is easy  
to grasp: the length of the day  
was no longer to be calculated  
by the time it took the earth to  
revolve on its axis, but by a  
system wholly independent of  
the solar day, based as it was  
instead on the vibrations in the  
atoms of an obscure metal  
called caesium.

Why, or for that matter how,  
the world decided upon a  
method of calculating the length  
of the day that took no account  
of the length of the day, I can  
not tell; for my present pur-  
pose, however, it is not neces-  
sary to know. Mind you, I could  
have told them that the decision  
would lead to tears before bed-  
time, especially since there  
would now be no means of tell-  
ing the difference between bed-  
time and Michaelmas; no doubt  
that is why they concealed the  
news from me until they had  
accomplished their purpose.  
But whatever the degree of  
culpability involved in the  
original decision, and whoever  
the culprits might have been,  
it is the situation today (what-  
ever that may mean) which con-  
cerns me.

You may say  
that two  
thousandths of  
a second is  
not much to worry  
about, and no  
doubt in  
itself it isn't...

For the hideous truth is that,  
since they started mucking  
about with the time, there has  
been a discrepancy between the  
old form and the new, between  
the method that depended upon  
watching the world go round  
and the system that involved  
counting the quiverings of  
atoms, like a billion insomniacs  
counting sheep. In the atom-day,  
there are 86,400 seconds; but  
in the good old solar day there  
were—and still are, for the  
world has not stopped revolving  
just because the caesium atom  
has started vibrating—an  
average of 86,400.002 seconds,  
a difference of two-thousandths  
of a second a day.

You may say that two-  
thousandths of a second is a  
not much to worry about, and  
no doubt in itself it isn't. But  
you see, the discrepancy is  
always in the same direction;  
instead of solar time being a bit  
short one day and a bit long  
the next, it is always a bit  
short. Two-thousandths of a  
second a day, even without  
compound interest, will amount  
to an entire minute in a  
mere 82 years, and that means  
that the ancient cynic's question  
"What is the difference?"—  
is at last answered: the answer  
is "Anyone who can count",  
for a century from now the  
discrepancy between the two  
forms of time measurement will  
indeed be a full 75 seconds.

Whence, you will realise, my  
decision to get rid of my watch,  
for it is set to solar time, and  
obviously a watch with such  
appointments cannot afford a  
watch that will be an entire  
second wrong after only 161  
months, and three seconds out  
in four years.

But thought's the slave of life,  
and life-time's fool;  
And time, that takes survey of  
all the world,  
Must have a stop.

So said Shakespeare, who  
also boasted that  
Not marble, nor the gilded  
monuments

Of princes, shall outlive this  
powerful rhyme,  
thereby, however, reckoning  
without the clowns who have  
so mucked up the time that  
there is no telling what will  
outlive what any longer. Of  
course, there will be the usual  
cranks who will ask why on  
earth, if you will excuse the  
expression, anyone would want  
to know the length of the day  
just worked it out with my  
trustworthy pocket calculator? Of  
one in something over forty-three  
million, but such people do not  
realise that science moves in a  
mysterious way its wonders  
to perform, and that there are  
even now scientists going bus-  
s-eyed with the effort to count  
the vibration in an atom of  
bophonium, following a report  
to the effect that if they based  
the length of the day on that  
instead they would be able to  
get it right to within a margin  
of one in forty-three mil-  
lion, but one in eighty-six  
million or even more. For it  
is an axiom of science, that if  
a given quantity of anything is  
good, then twice that quantity  
must be at least twice as good  
if not more, and it must follow  
as the night the day, at any  
rate until they reverse the  
order in which these two  
phenomena occur, that four  
times the quantity must be  
even better, and pro rata, at  
that.

The first Lord Samuel once  
remarked that space was like  
"a large, empty box with the  
top, bottom, and sides  
removed", and I see what he  
means. But if that is so, I  
think time will have to be de-  
scribed as a broad river flowing  
for ever at a constant rate but  
with all the time drained off.  
Your *homo moyer* sensed that  
the Clapham omnibus will no  
doubt object to being told to  
throw away his watch because  
in 82 years it will be a minute  
fast, and will insist that he can  
adjust the thing every half a  
century or so, and that between  
whiles a rough approximation  
will do. But that only goes to  
show how far behind the times,  
if you see what I mean, the  
man on the Clapham omnibus  
is.

The times, it has been ap-  
parently remarked, what we must  
move with. True, the rate at  
which we were to do the mov-  
ing was not specified in the or-  
iginal contract, and it is unlikely  
that when it was drawn up any-  
body contemplated moving with  
the times as fast as an atom of  
caesium could vibrate, let alone  
faster. But

There was a young lady  
called Bright,  
Who travelled much faster  
than light;  
She started one day  
In the relative, say,  
And came back the previous  
night.

And it seems that there is  
every likelihood that we shall  
all shortly find ourselves in a  
condition of similar confusion,  
and having to ask, before we  
make a lunch-engagement or  
try to catch a train, whether the  
relevant time is being given in  
the solar mode or the caesium,  
and then trying to remember  
which is the relevant mode. A  
few months ago, as I was land-  
ing in Hongkong, the pilot gave  
the ground temperature "in  
degrees centigrade, and trying  
to work out what that was in  
Fahrenheit, I was told that the  
alarming conclusion that I was  
about to step out into a tem-  
perature of 970 Fahrenheit.

The irony in my own situa-  
tion is that when I read the  
dire news I had just been  
told, "if you want to know the  
time, ask a caesium-plated  
policeman". Shakespeare had a  
word for that problem, too:  
Come what comes may,  
Time and the hour run  
through the roughest day.

Times Newspapers Limited, 1981

Ronald Butt

## Finding the roots of a new party



Lord George Brown and Mr Douglas Eden: building up a countervailing influence for Labour.

the answer to those who ask  
why, when socialist parties  
abroad elect their leaders by a  
vote more than 100 to 1, the  
British Labour Party should not  
start it the same. The reason is  
that there is no other socialist party  
as dominated by the votes of the  
unions, which can be mani-  
pulated for wider political ends,  
as Labour is.

This being so, the need for a  
party of the left with genuine  
roots in the wider electorate is  
obvious and the result of last  
Saturday's Conference is to be  
welcomed because it brought  
this much nearer. The passing  
of the more extreme motion  
instead of a "fudging" formula  
made it much easier for the  
hesitating social democrats to  
act as they did—even though  
"fudging" might have been  
more dangerous to parliamen-  
tary independence in the longer  
run.

So now the social democrats  
are on their own and the final  
break seems likely to come in  
the next few weeks. Their new  
party will then start with the  
advantage that it has had its  
inception, like the Conservatives  
and Liberals, inside Parliament.  
But it will need an organization  
in the country if it is to draw  
to itself the large potential sup-  
porter which the opinion polls  
suggest exist.

The seeds of such an organi-  
zation are already planted by  
the Social Democratic Alliance

which yesterday, in a move of  
great significance, announced  
that Lord George Brown is to  
be its President. The importance  
of the SDA is that from the  
start it has been a grassroots  
operation, and nothing but a  
grassroots operation.

When it was first formed in  
1975, it deliberately excluded  
MPs from its ranks so as to  
avoid the accusation that it was  
merely an offshoot of the Mani-  
festo Group's parliamentary  
politics, which could have tied  
its hands to Westminster  
manoeuvres.

Under the leadership of Mr  
Douglas Eden, Dr Stephen  
Haseler, two GLC councillors,  
Mr Roger Fox and others (some  
of whom later departed when  
the SDA became too outspoken)  
the new association was in-  
tended to mobilize Labour  
grassroots' anxieties about the  
infiltration of the left, and to  
take remedial action against  
such far left groups as the  
Militant Tendency.

At first, only Labour Party  
members were admitted to the  
SDA which, taking a leaf out  
of the book of such bodies as

the Militant Tendency, had no  
"members", but only "sup-  
porters". In this way, the SDA  
began to build up a counter-  
vailing influence, and in conse-  
quence, after about two years,  
its supporters started to be  
expelled when they took action  
locally which exposed the ac-  
tivities of the far left.

Thus Mr Cyril Nottingham,  
leader of the majority Labour  
group on the Scunthorpe  
borough council, was expelled  
for providing the information  
which was largely the basis of  
the report by Lord Underhill,  
then Labour's national agent,  
on the infiltration of the Mani-  
festo Tendency. This expulsion  
was overturned by a regional  
appeals tribunal, but signifi-  
cantly, Labour's National  
Executive Committee reversed  
that decision and Mr Notting-  
ham was thrown out.

By 1979, so many had been  
ejected that the SDA decided  
that to keep and recruit the  
people it most wanted, it must  
call public attention to anti-  
socialist activities inside the  
Labour Party and to the wil-  
lingness of too many in official  
positions to cover this up or  
to have associations with bodies  
antipathetic to parliamentary  
democracy.

Meanwhile, the lessons  
preached by the SDA had been

taken to heart inside the pa-  
liamentary party, which set up  
its own rival grass-roots or-  
ganization, the Campaign for  
Labour Victory—largely un-  
der direction from Westminster.  
The SDA, however, remained an  
exclusively grass-roots organi-  
zation though its members had  
personal contacts with social  
democratic MPs, which are  
today of growing relevance.

Then, in January 1980 the  
decision was taken to compile  
a reserve list of candidates  
which, in certain circumstances,  
the SDA would field in the  
next general election against  
Labour extremists. A new state-  
ment of aims established clearly  
that the SDA envisaged its  
natural constituency in the  
country was that of the old  
Labour party, and not some  
vague Lib-Lab centre ground.

This, indeed, is the signifi-  
cance of the announcement of  
Lord George Brown's presi-  
dency at this moment, for  
though he is now outside the  
Labour Party his roots have al-  
ways been in the old Labour  
tradition. His presidency em-  
phasizes that the SDA  
envisages social democracy as  
having more of a popular basis  
than might be ascribed from  
the social democracy of the  
Roy Jenkins variety, important  
though this is to them.

The SDA now has a reserve  
list of 38 candidates already in  
the field, who would be in addi-

tion to the existing social  
democratic MPs. They include  
Mr Roy Morris, a long-stand-  
ing Bristol City councillor who  
will oppose Mr Anthony Wedg-  
wood Benn, and also Mr Jim  
Idy and Mr Michael Golder,  
all former members of the  
steering committee of the Cam-  
paign for Labour Victory. The  
SDA claims a national member-  
ship of about 2,000, which is  
strongest in the cities where  
Labour is dominated by the  
left, particularly in London,  
the Midlands, and the North-  
west. It is weaker in the North-  
east precisely because it is  
there that social democratic  
and moderate MPs are  
strongest.

The SDA has no paid organi-  
zation or offices; the work is  
done from members' homes.  
They say they have no money  
except the contributions of  
their supporters—some of  
whom are small businessmen  
with Labour roots. But volun-  
tary work can achieve a great  
deal where there is will and  
single-mindedness, and nobody  
can accuse the SDA of lacking  
either. It now has about 50  
regional secretaries and a  
visible organization of a skele-  
tal sort which will obviously be  
of great importance to a break-  
away social democratic Labour  
Party.

But the greater significance  
of the SDA is, perhaps, its  
insistence on the continuity of  
origin and the continuity it  
provides with the cultural tra-  
dition of the old patriotic  
Labour Party. It is one of the  
more bizarre features of last  
Saturday's conference that four  
of the huge block of votes cast  
by Mr Moss Evans for the  
Transport Workers last Satur-  
day were Lord George Brown's,  
and Messrs Haseler's, Eden's  
and Roger Fox's.

Above all, what is wrong  
is the erosion of Labour's  
popular base by unrepresenta-  
tive activists, the restoration  
of that base for the benefit of  
effectively "disfranchised"  
Labour social democrats. Voters  
must be the cure, and the cure  
is to make as much as though  
Messrs Rodgers, Owen and Co  
are going to need the SDA who  
have already had six years'  
experience in laying founda-  
tions for a new party.

## Rushing out the Owen manifesto



Dr David Owen: positive policies.

lines of those recommended in  
the minority report of the Kil-  
brandon Commission. He calls  
for an elected second chamber,  
members of the European  
Assembly, a decentralized  
health service with elected local  
health authorities having the  
power to raise revenue, and a  
system of local income tax to  
recruit personal services in the  
French cabinet system. He puts  
considerable faith in the bene-  
fits which both a Freedom of  
Information Act and a more  
rigorous system of parliamen-  
tary scrutiny of government  
departments would have on  
administration.

Committing himself firmly to  
supporting the continuation of  
the mixed economy, Dr Owen  
argues that the crucial area for

government action is in setting  
the most beneficial economic  
climate for industry. Deplo-  
ring the "see-saw" effect of violent  
changes in policy by successive  
governments, he calls for a  
stable, long-term economic and  
social policy of the German  
Social Democratic Party, which  
he says, are in many ways  
highly corporatist. No doubt  
other members and supporters  
of the Social Democratic Party  
will want to modify, and  
amplify some of his assertions.

As an initial statement of  
philosophical intent for the new  
council, and for any new party  
that arises from it, however, this  
book is admirable. It should  
be the manual for Social Demo-  
crats, and it should help to  
establish a distinctive social  
democratic position in British  
politics against which both the  
friends and enemies of the  
"Gang of Four" can test their  
own ideas.

A similar desire to avoid the  
narrow dogmatism of both  
right and left informs Dr Owen's  
writing on the all-important  
question of economic policy. As  
a result, this is perhaps the  
least clear part of the book

and the one which offers fewest  
practical suggestions for new  
policies.

He starts from the premise  
that the central aim of any gov-  
ernment should be the pursuit  
of equality. In taking that line  
he puts himself firmly in the  
socialist tradition, just as Mrs  
Shirley Williams has in her  
frequent reiterations of the  
same point, and eschews the  
traditional Liberal position. He  
goes on to reject both the low  
growth strategy and the intro-  
duction of a tax credit scheme  
that have commended them-  
selves to many Liberals.

Dr Owen is in no doubt that  
an incomes policy is an essen-  
tial element in curing Britain's  
economic malaise. He suggests  
that "a decentralized policy  
that relies on a mixture of mar-  
ket forces, controls and cen-  
sures, and controls and cen-  
sures, should be able to be  
maintained by successive gov-  
ernments of whatever party".  
In company with most Liberals,  
some other social democrats  
and not a few "right wing"  
 Tories, he also advocates the  
development of co-operatives  
and worker ownership in indus-  
try and would like to see the  
British economy develop largely  
along these lines, without being  
very specific about exactly how  
this can be achieved.

There are certain inconsisten-  
cies in Dr Owen's book. For  
example, the economic and  
social policies of the German  
Social Democratic Party, which  
he lauds, are in many ways  
highly corporatist. No doubt  
other members and supporters  
of the Social Democratic Party  
will want to modify, and  
amplify some of his assertions.  
As an initial statement of  
philosophical intent for the new  
council, and for any new party  
that arises from it, however, this  
book is admirable. It should  
be the manual for Social Demo-  
crats, and it should help to  
establish a distinctive social  
democratic position in British  
politics against which both the  
friends and enemies of the  
"Gang of Four" can test their  
own ideas.

Ian Bradley

"Face the Future" by David  
Owen, Jonathan Cape, £12.50.  
Book reviews, page 18

## New words and new meanings

### There is a new crunch coming

Politics, like journalism, is a  
gesser of hot air and new  
slang. Politics, like journalism,  
needs to keep the attention of  
its audience or readers from  
wandering by eruptions of  
vivid new language.

"Crunch point", although  
still very popular in political  
speeches by unoriginal hacks,  
is so middle-aged that it slips  
off the lips without causing a  
ripple in the minds of its users  
or listeners. It was an extension  
in the Seventies of the idiom  
of something or somebody  
coming to the crunch (a dis-  
tasteful motoring metaphor?).  
Aid some anti-Market-  
eers even suspect that when it  
came to the crunch, Mr Wil-  
son himself will campaign for  
staying in the Market. The  
Sfn, 1974.

The crunch idiom is quite  
old. Winston Churchill was  
using it just before the war:  
Whether Spain will be  
allowed to find its way back to  
sanity and health depends  
upon the general adjustment  
or outcome of the European  
crunch.

For politicians who want a  
newer cliché, the phrase of the  
moment seems to be "the  
main thrust". As with all new  
political slang it is being  
adopted eagerly all over the  
world. I came across an ugly  
example from Australia the  
other day: "The main thrust  
of the Senator's speech, to the  
Pacific Island was to inform  
himself of its readiness for  
independence".

Mrs Thatcher and her  
Cabinet, and even Professors of

Political Theory, have fallen  
into the magical thrall of "the  
main thrust". Whatever did  
we say before we discovered  
the *Journal* new phrase with  
its overtones of vigour and  
purpose and action, often  
camouflaging (eg in "the main  
thrust of our policy") the  
absence of any clear purpose  
or movement in any direction?  
Gist? Brunt? Purpose?

"Main thrust" rules for the  
present as the trendy political  
phrase. Must it "intrude"  
everywhere (compare Muriel  
Spark and Miss Brodie on edu-  
cation versus intrusion)? The  
normal pattern to be expected  
is that the epidemic will run  
its course and die down as  
soon as somebody discovers a  
pretty new phrase, which we  
shall all at once take up and  
do to death.

To have egg or jam on or all  
over one's face sounds to me  
as stale as a four-week egg in  
political and journalistic  
usage. It is a shame that the  
crunch idiom that Crossbencher  
in the *Sunday Express* imagines  
himself tapping, before  
launching into a piece of  
extravagant speculation about  
them. The English breakfast  
has moved on since the phrase  
was used in the Thirties.

Keep an eye open for  
"levantine" coming in to fash-  
ion as a trendy new political  
metaphor. Item, *The Observer*  
last month: "In sharp con-  
trast with what happens at  
Conservative Conferences,  
Labour's agenda is a levantine  
mixture of emotions, amend-  
ments and composites, fiercely  
argued over by a bewildering  
assortment of individuals, with  
Front Bench figures given  
brief and often discouraging  
hearings." Perhaps the writer  
meant by *Levantine* something  
like "representing a colourful  
medley of interests." I think it  
more likely that he meant poor  
old Byzantine, and that his  
inner ear skidded on the slip-  
pery surface of the cliché.

Philip Howard

## LONDON DIARY

### Bringing Labour in from the shadows

Whisper who dares, but the  
arrival of Tony Benn to the  
shadow cabinet—albeit by the  
back door left open by the  
hurriedly departing William  
Rodgers—is almost certain to  
be good news for those who  
believe in open government, or  
at least shadow government.

Benn has long protested that  
the minutes of shadow  
cabinet meetings have never  
been circulated, not even  
among shadow ministers. His  
campaign will doubtless con-  
tinue at the shadow cabinet  
table, at which he took his seat  
last night. While Michael Foot,  
the party leader, has yet to  
give him a job, I look forward  
with my squad of trusty moles  
to being the first recipient of a  
copy of the minutes falling off  
the back of the duplicating  
machine.

As for the job he will be  
given, a shiver is running down  
the spines of some shadow  
ministers at the thought that

he could be offered the same  
front bench role as that put  
before William Rodgers, in  
charge of regional affairs. That  
would give Benn the chance to  
speak on a particularly wide  
range of policies, covering  
economics, industry, employ-  
ment and almost anything else  
you care to name.

Last night's prediction from  
Westminster, however, was that  
that would not be the case.  
There was also a feeling of  
rather less than universal  
apprehension, despite the  
backsliding in Labour's  
national executive committee  
yesterday over his demand for  
that amounted to an oath of  
allegiance from the party's  
rebellious right-wingers.

I distinctly heard one shadow  
minister remark: "Tony ought  
to be made to swear an oath of  
allegiance to the shadow cabi-  
net."

### Changing beds

I note with some sense of irony  
that Lord Wigoder, QC, the  
Liberal peer who for three  
years was chairman of the new-  
delivered Health Services Board,  
has just been elected a governor

of Bupa, the largest of the  
private health insurance asso-  
ciations.

Lord Wigoder's job at the  
Health Services Board was to  
preside over the phasing out of  
National Health Service pay-  
ments under the last Labour  
government's legislation, and to  
apply the controls on private  
hospital development which that  
legislation laid down. The board  
took the decisions on which pay-  
ments should go out of the hands  
of the Secretary of State.

Now he will be at Bupa, which  
has seen a near 50 per cent  
increase in subscriptions in the  
past two years and is busy  
building private hospitals to  
meet the demand.

### Flying a Kite

British Airways Helicopters, an  
offshoot of our troubled  
national airline, has taken the  
first firm steps towards its goal  
of building a major heliport  
deep in the London dockland.  
An application has been lodged  
with Tower Hamlets council for  
development of a 52-acre site in the  
West India Dock.

managing director of BA Helico-  
pters, has been nurturing for  
years the vision of a helicopter  
terminal based on the three miles  
east of the City, linking London  
with Paris, Brussels and other  
major centres within a 250-mile  
radius. The present heliport  
at Battersea is much too small  
to accommodate such grand  
plans.

The entire scheme rests on  
the development of a new  
generation of large helicopters  
with at least 68 seats. But such  
a machine is unlikely to be  
available before 1994, and even  
if full planning permission were  
granted the dockland heliport  
would not be built before then.

This is a long-term plan. We  
have lodged our application to  
get agreement in principle and  
to open up discussion, the  
company told me yesterday.  
The site, on a redundant dock  
which is to be filled in, heliport  
or no heliport, has distinct  
advantages apart from its prox-  
imity to a large potential busi-  
ness traffic: there is plenty of  
room for car parks and the like,  
and there are few dwellings  
nearby. But there are certain  
to be objections on the grounds  
of noise, nuisance and safety



the Stock Exchange and the  
Bourse, avoiding the trail out  
to Heathrow and the trek in  
from Charles de Gaulle airport.  
But as it is the price of fuel  
which rules the airways above  
all other considerations, and as  
it takes many more gallons to  
move a man in a helicopter than  
in a conventional aircraft, the  
entire scheme will have diffi-  
culty, to say the least, in  
achieving vertical take-off.

### Eden revisited

Robert Rhodes James, who  
was a junior clerk in the  
House of Commons at the time  
of Suez and is now Tory MP  
for Cambridge, is to write a  
biography of Anthony Eden.  
James, whose previous works  
include biographies of Lord  
Rothschild and Randolph  
Churchill, was invited to  
chronicle the life of Eden by  
the former Prime Minister's  
widow, Lady Avon.

"I actually did go through  
the furnace with Eden during  
Suez", James said yesterday.  
"I was very touched to be  
asked to write the biography.  
Lady Avon knows I did not  
agree with him on everything."

She wants an objective study.  
But James fears that public  
interest in his finished work  
may be largely confined to his  
chapters on Suez. "I think it  
would be appalling if his whole  
career is seen solely in terms of  
one episode. Although I met  
him often I would not claim I  
knew him well. But I did have  
a great affection and admiration  
for him; he was a truly tragic  
figure."

I do not think we shall learn  
the full Eden story from  
James's worthy project. It is to  
be published in 1984, three  
years before the expiry of the  
current rule which keeps the  
official papers relating to  
Eden's premiership from public  
view.

### Hosing down

The first night audience which  
gathered at the Theatre Royal,  
Haymarket, tonight to see  
Angela Smith in the title role  
of *Edna* (Brien's Virginia) will  
doubtless have other things to  
gossip about than the appear-  
ance of the portier. Not so a  
*Times* reader saddened by the  
removal of what he calls the  
rich scarlet stockings which

until recently adorned the  
pillars and lifted the spirits of  
passers-by.

The reason, according to  
Louis Michael, one of the  
theatre's joint owners, is the  
presence of the thousands of  
pigeons, starlings and other  
birds in central London. The  
new glossy black paint is  
apparently easier to clean; Mr  
Michael finds the details disas-  
trophous, but clearly his relation  
with the capital's feathered  
friends are less than cordial.

I learn from the *Roman Cath-  
olic* press that the continued  
publication of *The Times* is  
among the favours being sought  
through the intercession of  
Cardinal Newman, the Vic-  
torian divine and one-time con-  
tributor to our letters column.  
The request for heavenly assis-  
tance in our affairs (presumably  
from a devoted reader) has  
been revealed by church offi-  
cials examining the case for  
Newman's canonization. I hope  
to be able to report on or  
about March 16, that his canon-  
isation has been greatly advanced.

Alan Hamilton





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## ISLAM'S NEGATIVE SUMMIT

The Islamic leaders assembled in Taif in Saudi Arabia have shown again that whenever an opportunity for progress toward a peace settlement opens up in the Middle East, the Islamic nations are prone to bungle it, preferably in grand style. In what is to be known as the "Mecca Declaration", the Islamic leaders have called for a new jihad, or holy war, against Israel; urged Islamic countries to join the existing Arab League economic boycott of Israel; pledged more aid to the Palestine Liberation Organisation; and undertaken to liberate Jerusalem from Israeli control. "Jihad" is nowadays defined by Arab leaders as a general campaign or struggle, including—as the declaration says—"all the means" at the Islamic world's disposal.

An economic boycott of the kind apparently envisaged by the Taif Summit could have damaging effects. While the Arab League boycott has not so far been very effective, if the Saudis and other powerful Islamic states were really to broaden the boycott and give it extra muscle—for example by blacklisting Western firms who deal with Israel—their sanctions could have some impact.

The Saudis, indeed, appear to have taken the lead in adopting a hard line against Israel. It was last August that Crown Prince Fahd first called for a jihad, on the grounds that "moderation" had brought the Arab world no benefits, and that peace with

Israel was a "figment of the imagination". Last week he said it again, dismissing Camp David as an "illusion", and calling on the new Reagan Administration in the United States to abandon the Camp David framework.

There is undoubtedly a case for critically examining and subsequently modifying Camp David. Indeed, it has been and is being critically examined by the parties involved, not least by the new administration in Washington, which—like the Israelis and Egyptians—is disturbed by the lack of progress over Palestinian autonomy. Yet it is precisely this re-examination at a critical moment in Middle East history which makes the timing of the Taif statement so inept.

Not only is there a new American Administration which is still working out its approach to the Middle East, there could also well be a change of government in Jerusalem by the summer. The Israeli Labour Party—which seems likely to win the general election—promises to be much more flexible and open-minded on the Palestinian question than the Begin Government has been. The Labour Party leader, Mr Shimon Peres, has repeatedly held out the prospect of an arrangement with Jordan over the West Bank, leading ultimately to an Israeli withdrawal and the establishment of a Palestinian authority.

The European powers, in the meantime, are pursuing the idea of involving the PLO in peace talks, a process which may well be taken farther in the summer, when a European-Arab meeting

including the PLO is due to be held at Foreign Minister level.

It may be that the Islamic nations have assumed the Reagan Administration to be pro-Israeli, and have given it up as a lost cause. Yet the latest signs, if anything, point in quite the other direction. Only this week a State Department spokesman condemned the continued building of Jewish settlements on the West Bank as "unhelpful". If the Islamic nations had tried to capitalize on this tendency in Washington, they might have assisted the emergence of an even-handed American policy under Mr Reagan. As it is, the hardline attitude they have adopted at Taif, is almost calculated to reinforce American suspicions about alleged Islamic intransigence and irrationality.

Similarly, King Hussein of Jordan's categorical rejection at Taif of the Israeli Labour Party's "Jordanian option" makes little sense, what would have been better left ambiguous, or no obvious gain to Jordan itself. As Mr Peres pointed out during his visit to London last week, statements on the West Bank by King Hussein "should not always be taken at face value". The hardline rhetoric of Taif will not necessarily be translated into headline action. None the less the moderate Islamic states—including Jordan and the host country, Saudi Arabia—have quite unnecessarily made it much more difficult for themselves to contribute to and take advantage of what could be the most promising year for peace in the Middle East for some time.

## ON THE BANKS OF THE RUBICON

Realignment, radical centre, social democracy—whatever the creature now in the womb of British politics is to be called, the period of gestation is proving lengthy and the delivery promises to be painful. The Liberal Party, which has been musing on the event with pleasurable expectation since Mr Grimond's day, is suddenly ill-prepared now that the event is upon it. In a party political broadcast last night Mr David Steel did not know who stood in most need of encouragement, the Labour breakaways or the Liberal separatists. Mr Cyril Smith has put himself at the head of the Liberal Party, which would have their leaders do nothing to facilitate the establishment of a fourth party. There is enough, if Labour refugees are heading for the centre they will find the ground already occupied. Let them become Liberals. Liberals would be surrendering their own interest if they conspired with any new organization with a view to alliance or a systematic electoral pact.

Mr Steel does not see the matter like that in black and white. Doubtless he is as keen as any

other member of the party that he should play the leading role in whatever new political grouping comes into being. But he has a better sense of reality than to expect prominent Labour refugees to take out membership of the Liberal Party there and then. Temporary if not permanent accommodation must be found in a half-way house.

In his broadcast Mr Steel spoke of "an alliance to fight the growing extremes of Right and Left together at the next election." If the Social Democrats' valuable experience of government is added to our nationwide community campaigning experience, I believe we could prove an unstoppable combination at the next general election. But he was careful to add that whether the Liberals can offer such an alliance "is something for my party as a whole to decide". To judge from the evidence of opinion polls Mr Steel's vision of the opportunity now presenting itself is one shared by a large, perhaps major, slice of the electorate. But it cannot be taken for granted his party wholeheartedly, or constituency by constituency, will endorse that view. He cannot at this stage promise Labour MPs

who may be about to take the plunge that they would have official Liberal backing for re-election as social democrats.

And the plunge is in uncomfortably slow motion. Nothing excuses the abusive language reportedly thrown around in yesterday's meeting of the national executive committee. But the position that has now arisen is very peculiar. Mrs Williams helped to write and Mr Bradley has endorsed the Limehouse manifesto. In launching the Council for Social Democracy they stop short of raising the standard of a new party, but unmistakably point themselves in that direction. They do not disguise an intention to set up in opposition to the Labour Party, which they now regard as irredeemable, yet there they sit on its inner council. Mr Rodgers, who has resigned from the shadow cabinet, and Dr Owen, who did not stand for it, were conscious of the incongruity. Yet none of them is actually off and away. They have to move together, and naturally MPs with long-standing local connections need time to make their personal explanation. But this is a very trying time of ambiguity and the shorter they can make it the better.

There are no so-called "trade union barons" in our union; our structure makes this impossible. Our rank-and-file policy conference agreed to make an input into a party's commission in which they advocated the status quo on the party leadership issue.

The commission judged the issue; thereafter, the party conference, by a wafer-thin questionable majority, decided to change the system. We accepted this fiasco, decision, and again recalled our rank-and-file conference, which decided that any change should reflect this wafer-thin decision and, hence, our policy

the party verkrampes, but they know that behind this screen, Mr Botha has increased state control over political expression by everybody else. The black press has been silenced, and the freedom of the white, mainly English-language, press is being progressively circumscribed. Mr Botha's aggrandisement of the executive role and the security apparatus has eroded even the role of the Nationalist-dominated parliament. Whether there has been any liberalization of non-white trade union functions has very much to be proved.

By side-stepping the UN-supervised one-man one-vote election in Namibia Mr Botha has also removed another criticism that his party malcontents might otherwise make. There is little in his actual record at this stage to upset any but the most verkrampes of voters. His vaguely radical talk, his over-the-hand-meets-a-widowhood white feelings, especially among young Afrikaners, that there must be some change, if not too soon or too much. He has neatly seized the last moment in which to peddle a dream of painless and riskless change which in another year may be unsalable even to the South African white mentality. Yet even if the election serves only to strengthen Mr Botha's position, it will provide a chance for the progressives in opposition to voice and define a better policy for South Africa than the Botha or Treurnicht alternative. The opposition cannot win, but they should receive as widespread a hearing as possible, with all the help that western free institutions can give.

## MR BOTHA SEEKS ENDORSEMENT

The election which Mr P. W. Botha has called for April 29 is meant to settle the struggle for power within the Nationalist Party rather than give the South African voters a choice between real alternative policies. The South African parliament does not legally have to end until late next year, and the Nationalist party has an overwhelming majority which will not be significantly (if at all) reduced. Mr Botha is simply engineering a vote of confidence in his own leadership within his party. To the mass of the unfranchised non-white population it will appear a mere ritual of the boss tribe that has scant relevance to their aspirations.

Twenty-two by-elections are pending but the atmosphere at by-elections is different and would certainly permit the airing of divisions within the Nationalist ranks as well as growing criticisms of the prime minister by some of his colleagues and by his predecessor, Mr Vorster. Mr Botha can say that by-elections would not provide an adequate opportunity to bring into the House those members of his cabinet who were given office from outside parliament after the cabinet reshuffle in August. Among them are the ministers of defence, education and commerce. He evidently prefers to bring them into the House in the revivified fervour of a general election fought to strengthen the government against the "total onslaught" of the outside world.

Discontent has been gaining momentum among the hardline members of the party orchestrated by Dr Andreas Treuer-

nicht who was demoted to minor office in the cabinet reshuffle. He has deepened an alliance with Mr Vorster and Mr Louwrens Muller, a former minister, to oppose Mr Botha's leadership—possibly more on account of a dislike of his personal style than on the visible results of his policies. Mr Vorster seems to hope for a come-back. Ironically, one of the methods chosen to weaken Mr Botha's ascendancy is to seek to involve him with the very scandals of the "Muldergate affairs" which forced Mr Vorster to retire from the presidency in disgrace.

The major aim of Mr Botha's policy is, or was, to associate the coloured and Asian minorities with the whites in a consultative presidential cabinet—with limited scope to advise on further constitutional change—but to grant no comparable recognition to the black community. Twenty-five years ago such a plan to divide the non-white races, and to associate the non-white minorities with the whites in the power structure, might have succeeded. Today the coloured and Asian leaders will not cooperate at equal status. Putting the Department of Employment on the other hand, far from having responsibility simply for public relations and the issuing of work permits as Philip Holland suggests,

improvement in manning levels to which the Government has set its hand.

The Manpower Services Commission has executive responsibility for the whole fabric of the training and employment services which are of key importance in our economy and they administer most of the special measures which help those affected by unemployment, particularly the much expanded Youth Opportunities Programme.

The Department of Employment on the other hand, far from having responsibility simply for public relations and the issuing of work permits as Philip Holland suggests,

has a number of extremely important tasks including the system of industrial tribunals, the administration of redundancy payments and other measures such as the Job Release Scheme. It is worth pointing out in particular that of the approximately 22,000 staff of the Department of Employment nearly 12,000 are involved with the considerable task of the administration and payment of unemployment benefits, a burden they seem likely to bear for some time to come.

Yours truly,  
NICHOLAS SCOTT,  
House of Commons,  
January 19.

## How the Labour Party makes its decisions

From Lord Paget of Northampton, QC

Sir, There seems to have been some confusion as to recent events at the Labour Party conference.

The Labour Party is a federal body and has over 150,000 members. It is not elected to elect a leader and there is nothing odd that it should use its traditional decision-making machinery, that is to say the counting of the black votes of the trade union barons.

Equally clearly the Labour Party has no right to elect a leader for its constituent members. It cannot appoint or elect the secretary general of the TUC or of the great unions or for that matter the chairman or secretary of the humblest ward Labour Party. Still less can it elect a leader of the party, the majority party for this is something which the parliamentary party is required by its rules to do for itself at the beginning of each parliamentary session.

Our constitution is jealous of the independence of the Labour Party external body to appoint a functional body to direct and control the parliamentary activities of MPs, or to draw the public salary and exercise the rights of a Leader of the Opposition or (two or three) still to assume the office of Prime Minister would be grossly unconstitutional and a flagrant breach of parliamentary privilege.

The parliamentary leader will continue to be elected by the parliamentary party in accordance with its rules. It is not necessary that he should be the same person as the party leader. In Germany Herr Brandt is the party leader and Herr Schmidt the parliamentary leader and Chancellor.

When the Queen forms a new government she will not be concerned to find who commands the confidence of the Labour Party electoral college (it might indeed take a long time before this could be found out). She will summon the parliamentary leader who commands a parliamentary majority.

This will leave the party leader free to attend international conferences and to preside over commissions considering the needs of the "Third World" without being distracted by the sordid considerations of governing this country. These will be left to the parliamentary leader who accepts the office of Prime Minister.

I would suggest therefore that the Limehouse pinks or whatever they choose to call themselves should stop panicking and get on with their jobs within the great party to which they owe their careers.

Yours sincerely,  
PAGET,  
House of Lords.

From the General Secretary of the Amalgamated Union of Engineering Workers

Sir, May I correct Lord Underhill's use of the word "inconceivable" to describe my union's conduct (January 27)? Trade union democratic procedures are too sacred to be prostituted by any horse-dealing for political expediency.

There are no so-called "trade union barons" in our union; our structure makes this impossible. Our rank-and-file policy conference agreed to make an input into a party's commission in which they advocated the status quo on the party leadership issue.

The commission judged the issue; thereafter, the party conference, by a wafer-thin questionable majority, decided to change the system. We accepted this fiasco, decision, and again recalled our rank-and-file conference, which decided that any change should reflect this wafer-thin decision and, hence, our policy

## The Ajanta frescoes

From Mr and Mrs Cyril Iles

Sir, Earlier this month when we visited the world famous rock-cut temples of the Ajanta Caves in India we were dismayed and shocked by the conditions prevailing there. Owing to a failure in the electricity supply we were unable to see the frescoes in the Vihara Cave no 1, whilst the lighting in the other caves was poor. The atmosphere within the caves was polluted and it was obvious that these frescoes were deteriorating rapidly. Crowd control was virtually non-existent and swarms of bored schoolchildren, admitted free, added to the congestion.

Our Indian friends, particularly our guide, agreed that these paintings, which are the finest in Asia the same significance as Italian frescoes, will perish unless immediate action is taken to ensure their preservation. It has even been suggested that they should be moved to a museum and covered with improved lighting is installed.

It is surely a matter of international concern that these unique artistic treasures should be saved. Yours sincerely,  
CYRIL ILES,  
MARY ILES,  
Linton Hills,  
Widford,  
North Devon.

## Hostages agreement

From Professor R. D. Brittain

Sir, I note that the Reagan Administration has said that it will honour the agreement signed by the Carter Administration as long as it conformed to United States and international law.

It is a principle of United States, international, and national law that agreements extracted under duress are void. There is no reason to honour this agreement. To honour it would help set the precedent that agreements under duress are valid.

The more that can be done to reestablish the rules of international law and diplomacy the better. If it is necessary to abide by the points agreed for reasons of global politics, then that be said, but it is required by neither law nor honour.

Sincerely,  
R. D. BRITTAIN,  
Box 5474,  
Bahrain,  
Arabian Gulf,  
January 23.

## Letters to the Editor

became 75 per cent for the Parliamentary Labour Party and only 10 per cent for the trade unions.

Whatever political manoeuvring went on at Wembley, a trade union executive cannot sabotage such an expensive and democratic procedure or decision as ours.

Of course the Wembley decision reached is indefensibly illogical and it will cause irreparable damage to the party's electoral chances dependent, of course, on how far the election is and the extent to which the present Government can restore economic stability before then; but may I also remind all that if those who voted 50.25 per cent had remained loyal to this decision and voted as we did in the final vote against the 10-20-30, then the status quo would have prevailed, as indeed is the proper method.

"Where there is no vision the people perisheth,"  
Yours, etc.,  
JOHN EYD,  
Amalgamated Union of Engineering Workers,  
110 Peckham Road, SE15,  
January 27.

## From Councillor Olive Gibbs

Sir, I, as a hard-working member of the Labour Party at constituency level, would have more respect for the so-called principle of Mr Shirley Williams against the trade union block vote were it not for the fact that she, herself, owes her seat on the NEC, and always has done, to that very same vote!

Yours faithfully,  
OLIVE GIBBS,  
Leader of the Labour Group,  
County Hall,  
Oxford,  
January 24.

## From Lord Shawcross, QC

Sir, The current controversy within the Labour Party and the moving letters in your columns from Sir Leslie Murphy (January 21) and Mr Michael Pickering (January 27) leave the party leader free to attend international conferences and to preside over commissions considering the needs of the "Third World" without being distracted by the sordid considerations of governing this country.

I joined the Labour Party (no doubt for sentimental and humanitarian reasons) rather than ideological ones, and I was proud to be a member of Mr Attlee's Administration, which I think will be regarded by history as having been a good and an honest one. But before that Administration came to its end, and because of the reasons which I have and subsequently maintained with trade unions, I had become concerned at the steady and systematic infiltration of Marxists into the constituency parties and into trade unions, where they have succeeded in securing the support of the vast majority of the party's rank-and-file, exerting an influence quite disproportionate to their numbers, which remain very small.

From time to time I made my view as to this public but found few shared my fear and I was subjected to the familiar criticism of seeing "reds under the beds". Now, of course, they are openly well on top of the beds and their aim is to keep the whole mattress to themselves.

I probably should have fought on, but my rather long voice was ineffective. Sadly disillusioned, and although I had been assured of a very high office in any future Labour government, I retired from the Commons, gradually drifting away from the Labour Party altogether. I was included in the second small list of (non-political) life peers. I had intended to take some small part in the work of the House of Lords, from the cross benches, for I had not joined any other party. But my occasional interventions: critical of left-wing

indicating, an intention to discriminate on the grounds of race, colour, nationality or ethnic or national origin, is not only unlawful to publish advertisements which indicate an intention to discriminate directly on these grounds, but it is also unlawful to advertise an intention to discriminate indirectly, which the Act defines as involving a requirement or condition which, whether intentionally or not, adversely affects one racial group considerably more than another and cannot be justified on non-racial grounds. The enforcement of the adverse provisions of the Act is the responsibility of the CRE.

"I understand from Amnesty International that the nature of the work was such that anyone with English as their second language would have the subsidiary of language which would enable them to perform the tasks as well as someone who has English as their first language."

I have no desire to labour the point, but I have written only of what may be described as the narrowly utilitarian benefits of music for all children but these are compounded innumerable by those others of which Mr Graham Smallbone wrote (January 21).

Yours faithfully,  
KHALID HASAN,  
2 Eastcote Road,  
South Harrow,  
Middlesex.

The letter says: "Under section 29 of the 1976 Race Relations Act, it is unlawful to publish an advertisement which indicates, or might reasonably be understood as

indicating, an intention to discriminate on the grounds of race, colour, nationality or ethnic or national origin, is not only unlawful to publish advertisements which indicate an intention to discriminate directly on these grounds, but it is also unlawful to advertise an intention to discriminate indirectly, which the Act defines as involving a requirement or condition which, whether intentionally or not, adversely affects one racial group considerably more than another and cannot be justified on non-racial grounds. The enforcement of the adverse provisions of the Act is the responsibility of the CRE.

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Yours faithfully,  
KHALID HASAN,  
2 Eastcote Road,  
South Harrow,  
Middlesex.

## Music in education

From Mr K. M. L. Benson

Sir, Thank you for publishing two such excellent letters under the heading "Instrumental in educating the young" as those from Mr and Mrs Driver and the Director of Eden College (January 21).

There is firm evidence that early exposure to music helps a child when he comes to learning how to read; deprivation may delay or even inhibit a child's ability to learn to read. Early reading difficulties account for many subsequent schooling problems and may lead to deviant behaviour and worse.

Music is not an optional extra, a top-dressing; it is basic to any true education, providing, as it does, a means of expression for both reason and emotion. For growth a child must find ways of expression of which language is arguably the most sophisticated. For

## Mr Murdoch's bid for 'The Times'

From Mr Geoffrey Robinson, MP for Coventry, North-West (Labour)

Sir, Disquiet is bound to continue following yesterday's debate in the House of Commons (report, January 28) on the purchase by Rupert Murdoch of *The Times* and *The Sunday Times* newspapers.

The circumstances in which the sale has taken place—the tight deadline set by the Thomson Organisation, the apparently preferential treatment afforded to the Murdoch organisation, the incompatibility between the financial calculations in the Warburg prospectus and the Department of Trade's assessment, the narrow retrospective basis (only 11 months' trading) on which the Department of Trade has judged *The Sunday Times* as not being a going concern and thus avoided a reference to the Monopolies Commission—all of this has created a situation of confusion and suspicion that must be cleared up as much in the interests of the newspapers concerned as for any other reason. Indeed, it was precisely for this reason that *The Sunday Times* courageously recommended a referendum. It is equally if not more important for *The Times* to give its unique position in public life.

The Government will not, of course, reverse its decision. Where required, therefore, is the full disclosure of all financial documents and legal opinion. Only in this way can the public be satisfied that this important transaction has been handled with due propriety and fairness. It is an occasion where proper behaviour must be seen to have been observed and the public assured that the right judgment has been arrived at.

Yours, etc.,  
GEOFFREY ROBINSON,  
House of Commons,  
January 28.

## From the Editor of The Sun

Sir, Journalists of *The Times* and *The Sunday Times* are apparently in a state of rare excitement over Mr Murdoch's "guarantee" of editorial independence.

At *The Sun* we find this amusing. For 11 years I have enjoyed and protected the "freedom" which our colleagues so eagerly sought and so easily won.

For the benefit of those who think otherwise, I should add that *The Sun's* wholehearted support for the Tories in the 1979 general election was not dictated by Mr Murdoch. This policy was decided by a "consortium" of senior journalists, who did not like what was happening in the Labour Party.

"We may have been a little ahead of our time. We were most certain," not intimidated.  
Yours faithfully,  
TERRY LAMB,  
The Sun,  
20 Boulevard Street, EC4,  
January 28.

## The Pope in Britain

From the Reverend P. M. Hawkins

Sir, I would have thought that canon 84 gave sufficient powers to the Archbishop of Canterbury to authorise such form of service on the occasion of the proposed visit of the Pope to Canterbury, for which no provision is made in the Book of Common Prayer, as may be deemed appropriate.

It must be remembered that the "Mass" previous to the Reformation was "reformed" at the Council of Trent and again at the Second Vatican Council. It is not now so very different from our own Alternative Services.

Finally, it must be understood that the Church of England has traditionally offered the hospitality of its altars to Huguenots in Canterbury Cathedral itself, and to Lutherans, Roman Catholics, Orthodox and Pentecostals in various churches in this diocese to my own knowledge. It seems only right to treat the Pope with the same love that Christ offered to all men.

Yours faithfully,  
PETER M. HAWKINS,  
The Vicarage,  
Lea Top Lane,  
Allerton,  
Bradford,  
West Yorkshire.

## Fall from grace

From Mr P. D. Hudson

Sir, It used to be said that a picture was worth a thousand words. Fortunately, your paper has generally preferred the certainty of the written word to the risk of misinterpretation that a glance at a photograph usually carries. Surprisingly then that your edition of January 24 should carry a picture spread across four columns of former President Carter lying sprawled on the ground having apparently tripped whilst jogging. What lengthy description was this picture intended to replace, or indeed what point was it meant to illustrate?

We were informed in the caption that Mr Carter quickly recovered and resumed his exercise. Would not then a picture of this latter event been better news, or is there something particularly unique about the misfortune of an ex-President, one which all of us must have experienced at some time?

Yours etc.,  
PAUL D. HUDSON,  
2 Lislebourne Road,  
Maidstone,  
Kent,  
January 26.

## A case to rest?

From Miss Susan Downes

Sir, As a law student who spends what seems to be a large proportion of an already heavy course learning the law according to Lord Denning, on top of the "law J", for one, would be quite relieved and glad to wish him a happy retirement.

Yours, etc.,  
S. M. DOWNES,  
Dinam House,  
Meadowside Hospital,  
Penyffordd,  
Chester,  
January 22.



## Some fresh ideas for frozen fish

### The Times Cook



Shona Crawford Poole

No fish tastes better than the one you cooked yourself, nearly lost, landed triumphantly and cooked in the open air while the sparkling scales were still 10 times brighter than anything you will see on a fishmonger's slab.

Freshness really matters with most fish which is why fish from the freezer is such a boon. Because it is caught it can be, and often is, a much better bet than fresh fish which is not as fresh as it might be.

Good fishmongers, like rural bus services, are thin on the ground and becoming fewer and further between all the time. The pity of this is not that frozen fish is necessarily inferior, but that the variety of types available is so restricted and anything much bigger than a small trout has to be cut to fit a packet. The following recipes make the most of what is in those packets.

Creamed coconut flavours and thickens the deliciously spiced sauce of this delicate fish curry. Blocks of unsweetened creamed coconut are sold by

Asian food shops and by some supermarkets.

#### White fish curry

Serves 4

1 small onion, finely chopped  
1 clove garlic, finely chopped  
2.5cm (1in) cube fresh green ginger, finely chopped  
2 tablespoons clarified butter or peanut oil

10 whole cardamom pods  
680g (1½lbs) haddock or cod, filleted, skinned and cut in big cubes

55g (2oz) creamed coconut, grated  
350ml (12 fl oz) boiling fish stock or water

1 tablespoon fresh lemon juice  
Salt and freshly ground black pepper

4 tablespoons or more finely chopped coriander leaves or parsley

Using a pestle and mortar or food processor, reduce the onion, garlic and ginger to a smooth paste. Heat the clarified butter or peanut oil in a heavy based fireproof casserole and fry the paste gently for about five minutes. Add the cardamom pods and fry for a moment or two longer. Add the fish and turn it in the hot fat to seal each piece on all sides. Remove the casserole from the heat.

Stir the boiling stock or water into the creamed coconut and stir it until the liquid is smooth. Pour this mixture over the fish, add the lemon juice, and season to taste with salt and freshly ground black pepper. Cover the casserole and cook it in a preheated oven (160°C/325°F, gas mark 3) for 15 minutes, or until the fish is just cooked but not falling apart. Sprinkle with coriander or parsley and serve with plain boiled basmati rice or a golden pilau.

A glossy puff pastry lid signals that celebration fish pie is no ordinary pie, but a delicious mixture of shellfish and white fish in a creamy sauce sharpened with yogurt. (Yogurt batters will not know it is there, only that the fish tastes uncommonly good.) If prawns, crab or scallops are too expensive or not available, improvise with another mixture of fish and shellfish that adds up to about 680g (1½lbs).

#### Celebration fish pie

Serves 4

55g (2oz) butter  
55g (2oz) flour  
150ml (½ pint) milk

150ml (½ pint) natural yogurt  
150ml (½ pint) fish stock

340g (12oz) cooked cod or haddock, flaked  
110g (4oz) cooked prawns or mussels, shelled  
110g (4oz) cooked crab or lobster meat

110g (4oz) cooked scallops, diced  
2 tablespoons finely chopped spring onions  
Salt and freshly ground black pepper to taste

370g (13oz) frozen puff pastry, thawed  
1 egg, beaten

Melt the butter in a fairly large pan and stir in the flour. Cook the roux for a minute or two without allowing it to colour. Gradually add the milk, yogurt and stock, stirring constantly to make a smooth sauce. Cook the sauce on a low heat for a minute or two.

Fold in all the fish, shellfish and chopped spring onions, and

season the sauce to taste with salt and freshly ground black pepper. Pour the mixture into a pie dish and set it aside to cool.

Roll out the pastry on a lightly floured surface and cut off a narrow strip long enough to edge the pie dish. Paint the lip of the dish with beaten egg and stick down the strip of pastry. Paint this strip with egg and cover the pie with pastry. Trim and knock up the edge. Make a small hole in the lid to let out the steam and hold it open with a tube of foil. Decorate the crust with pastry trimmings or leave it plain. Brush the top of the lid (not the edges) with egg to glaze, and bake the pie in a preheated hot oven (220°C/425°F, gas mark 7) for 20 minutes, then reduce the heat to moderate (160°C/325°F, gas mark 3) and bake it for a further 25 to 30 minutes.

Prawns in sizzling garlic butter are a winner every time. It is a first course that makes something memorable of those pathetically small cooked and shelled frozen prawns sold in packets everywhere. Serve them in individual ramekins with lots of hot french or granary bread to mop up the butter.

#### Prawns in garlic butter

Serves 6

450g (1 lb) frozen prawns, thawed

170g (6 oz) butter

1 to 3 cloves garlic, very finely chopped

1 teaspoon tabasco sauce

1 tablespoon fresh lemon juice

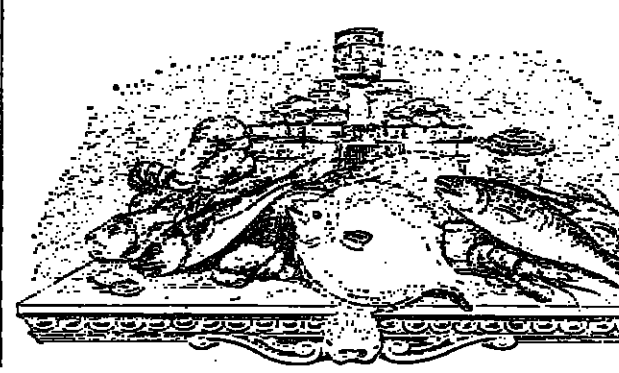
Salt and freshly ground black pepper to taste

6 tablespoons finely chopped parsley

Last minute assembly and cooking briefly in a hot oven are essential for this dish as over-cooking the prawns makes them tough.

Drain the thawed prawns well and divide them between six ovenproof ramekins. Set the ramekins on a baking tray. Melt the butter in a small saucepan. Add all the remaining ingredients and bring it to the boil. Pour the garlic butter over the prawns dividing it equally between them. Transfer the prawns immediately to the top of a hot oven (220°C/425°F, gas mark 7) and bake them for 10 minutes, or until the butter is bubbling briskly again.

Serve immediately.



## Prudence Glynn

### Oh, is it art? It must be all right then

Prime Ministers presumably become accustomed to the touch of the red hot iron, but even so it does seem hard for Mrs Thatcher to have been branded as both a toughie and a philistine after her Cabinet reshuffle. The latter accusation stems, it appears, from her denouement of the Arts portfolio, not just outside the Cabinet and not even to a full minister, but to "a mere Minister of State" as one commentator described him.

I have never seen the slightest reason for the arts to rate any higher representation while design rates none. I would settle for a Minister for Design and Art rolled into one and he can be in the Cabinet or not for all I care. It might provide an opportunity for overdue reshuffling of entrenched departments, but for the time being why not twinned Ministers of State?

It has always struck me as quite extraordinary that in a nation, a large proportion of which is artistically purblind (you only have to look at the suffering on the faces of the audience) we make so much fuss about the arts and we have arts councils and crafts councils all waving money about (our money). Yet in a nation quite extraordinarily gifted at design and innovation and invention the best we can do is the Design Council which has no financial teeth and ought long ago to have been fitted with dentures.

Please do not misunderstand me. Of course I think the state should use our money to subsidize the finest in opera, ballet and theatre, all areas which involve marvellous and complicated settings and are besides a great enrichment to national life a source of national pride and a vast invisible currency earner.

But it is when we get to the selection of individuals for subsidy that I begin to fret, since it is our money that they are dispensing, the state quite rightly establishes a network of committees of the great and good, with here and there a token maverick or somebody in candour to inject judgement and subsidy that I begin to fret, since it is our money that they are dispensing, the state quite rightly establishes a network of committees of the great and good, with here and there a token maverick or somebody in candour to inject judgement and

Which is where design comes in. If you accept the premise that ideally individuals should be fostered by individuals, where do those individuals get the cash? The answer is that they generate it, through increased sales, more competitive processes, clever packaging, a breakthrough invention (at last, striped paint). In other words, via better design.

Having generated that wealth for themselves and their share-

holders both should be able to deduct from tax money spent on the direct promotion of the arts provided it was not their main business. Of course the system would be wide open to abuse and the Inland Revenue would have a high old time trying to work out if a plate of eggs and bacon qualified for a rebate or was in fact merely the remains of breakfast. But even so I am sure it would work out a lot cheaper than all those committees, and also fewer talents would slip through the net. Even in this age of interior taste, engendered by patronage at one removed, there are enough strong-minded and confident persons about to back their own judgment.

All of these remarks can be multiplied when it comes to the work of artists, craftsmen whose work overlaps the neat pigeonholes assigned by bureaucracy and flutters first around sculpture, albeit untraditional, has a peck at jewelry or a length of fabric before alighting on a series of anatomical drawings. One wonders how they would have coped with Leonardo da Vinci, believe it or not, for example, who readers may remember drew the graphic sketch of the Los Angeles Rams ballgame for this page (it was sold, sight unseen, to a Beverley Hills gallery - that's panache for you) and his clothes, robes, costumes, however you describe magical tufts of beads and thick padded snakes of brocade crawling over shimmering silk dresses exhibited at the National Theatre - Sir Peter Hall believes in the cross pollination of the arts - but she also has textile lengths being sampled by Neiman Marcus. Besides drawing, she also paints.

Andrew Logan is even more difficult to pin down, except by his medium, which is mirror chips. He did experiment with glass fibre, and a huge bird of ten foot arm lilies in his studio witnesses his efforts. He gave it up he says, because the fumes are very dangerous and one artist he knew killed himself with them. Logan, now 35, is apparently less exotic than he used to be in the days when he turned up at parties in rows of pearls. Mind you, he says that it is not he that has changed but that society (meaning me?) has become more receptive and less shockable. He also pointed out that this is the year of the Rooster and time for him to crow, and indeed he has just received his first grant of £2,000 from the Arts Council.

He was trained at the Oxford School of Architecture and is fully qualified but the work he really wanted to do, his amazing mirror chip jewelry, his "fun" objects which mix plastic with stained glass (done by himself) and his irreverent attitude to accepted standards of taste were slow to find

favour. In 1975 he spent a whole month in New York trudging the galleries. At one, the owner just leafed through the portfolio and said "Laughing's out this year".

Andrew Logan works in a sort of roof-top greenhouse which peers into the back of Liverpool Street station. It suits his need for space and airiness, his fascination with wings and flight which for him mean freedom and optimism. Also only one tiny part remains of the wondrous works he made for the roof-garden at Derry and Toms when it was Biba. All the rest was destroyed. He sells mostly to private people and friends and once had a show in an art gallery which was a great success "because people thought it was art", he laughs ruefully "so they could understand it, label it with confidence". You see what I mean about crises in personal taste. James Rook is by training and craft a jeweller, and a very fine one, too, original, precise, amusing and understanding that most important modern need, which is to create impressive pieces which rely flights of fancy on design content, not just intrinsic gem value. With everyone so nervous of being robbed he thinks this is essential "though I do wish more people would appreciate it," he says. "They still just buy investment jewelry and stick it in the bank".

Thea Cabarra is an immensely practical girl for all her fuchsia wigs which do not startle Whitechapel at all, I might add. She makes shoes which rely really art forms in themselves - remember her palm-tree with the silver heel? - and she finances the everyday needs of life by commissions from enlightened firms such as Clarks who have recognized that high flights of fancy are necessary to a spirit if it is to revitalize a prosaic range. Otherwise everyone just says, "Oh, I've seen that one before".

Even if only a grain of the palm tree or the tiger magic rubs off onto the broader fitting section, it shows. Of the three I have described Thea would seem the easiest to slot in, and indeed she has been helped by the Crafts Council, but her most imaginative and rewarding work has been for private patrons.

If only there were more one would not have this ludicrous situation where in one South London borough they are taking on a writer in residence and hiring a nice young artist to paint the ends of their houses while the ratepayers are baying at an increase in their rates. And I am sure that the good citizens of Lowestoft would have been quite happy with their drunken sailor statue if it had not been chosen by a committee and paid for with their money.

## Children's books Chronicle a revolution

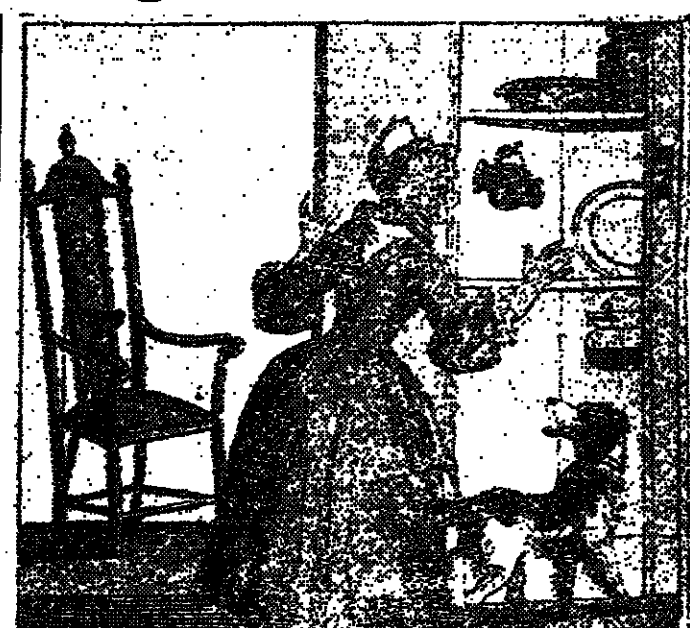
Since reading began adults have tended to nurture a lasting affection for the books of their childhood, whether *Fortunatus and his Wishing-cap* or *The School at the Chateau*. About a hundred years ago, however, a different kind of affection arrived - the cherishing of children's books for their naive charm, their breath of *temps perdu*.

One of the first to exploit this new sensibility was a publisher Charles Welsh, who, in 1881, introduced a facsimile of the 1766 edition of *Little Goody Two-shoes*, a venture which he was later to follow up with some related bibliographical endeavours. A fellow enthusiast was Andrew Tuer, whose Leademhall Press put out numerous "odde volumes" including his own rag-bags of *Pages and Pictures from Forgotten Children's Books* (1898-1899) and *Stories from Old-fashioned Children's Books* (1899-1900), and since that time the trade in reproducing "quaintly illustrated little treasures" has continued. Recently there have been such Tuer-ish compendia as *Leonard de Vrie's Flowers of Delight* (1965), which drew upon the holdings of the Osborne Collection in Toronto, and *Nigel Temple's Seen and Not Heard* (1970), sub-titled "a Garland of fancies for Victorian children".

Recently, well-groomed for best-sellerdom by the Oxford University Press, there came the latest and most august volume in this tradition: *A Nursery Companion* "provided by Iona and Peter Opie" (£8.95). Like its forebears it anthologizes both the text and the pictures of a number of antique children's books, but unlike them it has a narrower focus and offers a modest thesis about its wares.

The subject of *A Nursery Companion* is the vogue for light-hearted, pretty colour-books that followed the immense success of *The Comic Adventures of Old Mother Hubbard and her Dog*, which John Harris published in 1805. It contains 27 rare and delectable examples (all drawn from Mr and Mrs Opie's own collection) which show the variety of ways in which publishers exploited the new fashion. And in its engaging Introduction and Notes it puts forward a view that this wholly unexpected ebullience in a genre which had previously been noted for its grey didacticism was as much on behalf of adults as it was of children.

Old Mother Hubbard re-



The Comic Adventures of Old Mother Hubbard and her Dog. Illustration from *A Nursery Companion* by Iona and Peter Opie. Oxford University Press.

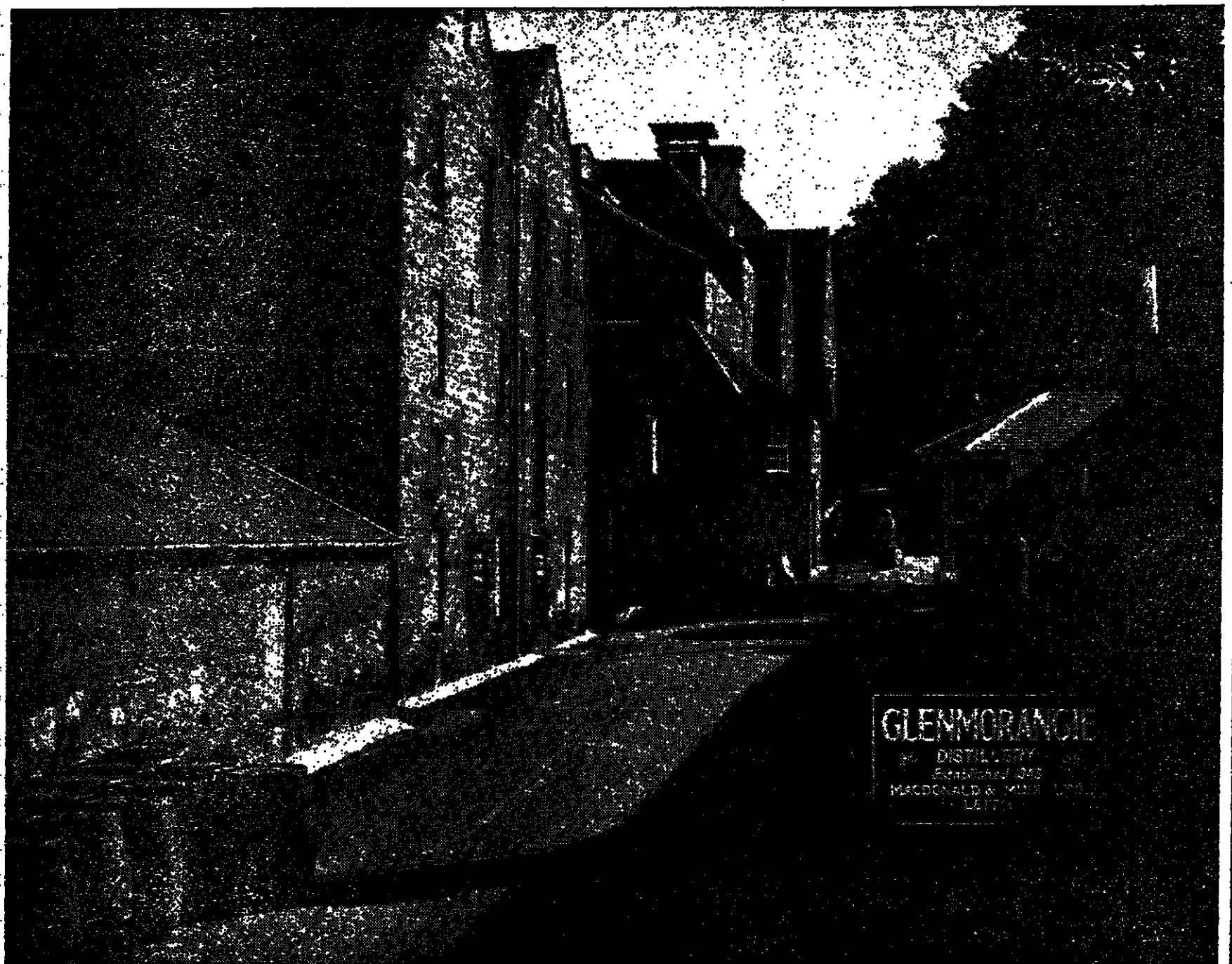
vealed a potential for play in children's books, and for 20 odd years they came to be used not just as a vehicle for nursery rhymes like *An Apple Pie or The House that Jack Built*, elegant copies of which are reproduced here, but for a number of experiments in which adults enjoyed themselves in a new vein. Thus you find not only simple entertainments but also educational ones (*Punctuation Personified*, satirical ones (*The Dandies' Row* - actually written by Caroline Sheridan "aged 11 years") and straight parlour games (if any game can be called straight with a name like *Alphabetophosphor-phoristikos*), which, as the Opies point out, has one letter more than the longest word in the Oxford English Dictionary.

The double audience that enjoyed these books when they were first published will probably be the chief clientele for *A Nursery Companion* - its success being most likely to have estimate in those homes where nurseries still exist somewhere above the drawing-room. Apart from the traditional rhymes, many of the verses are formal and stilted (even the limericks - the first of their kind - lack zest) and their elegant, coloured illustrations demand an attention that is sober rather than rumbustious. How far, too, does the reader need a sense of period fully to enjoy what the book is doing

—its illumination of a small corner of "the age of elegance", its chronicle of a notable revolution in the history of children's literature. But for enthusiasts knowledgeable in these matters the presentation of the material may come as something of a disappointment, in a way that, at their lesser level, Tuer and De Vries were disappointing. Its large format has been designed to accommodate half a dozen or more pages of its component children's books on a single page opening (in one case getting a page sequence the wrong way round), and the result is that half the charm of these small, individually conceived volumes has disappeared. (You can get a rough idea of what they were like through a number of individual facsimiles available from the Scholar Press.)

At the same time, for all the care that they have taken over the *Companion's* production, our modern technologists just cannot cope with the delicacy of engraved copper-plates, printed one at a time and coloured by hand. Mr and Mrs Opie's book has a colourful charm of its own, true, but its matt-white pages with their lack of texture and their smooth printing are no equal to the choice ranks of John Harris's *Cabinet of Amusement and Instruction* and the like.

Brian Alderson



This is where the world's finest single malt comes from.

No single malt whisky is more respected than Glenmorangie. Produced since 1738 in a distillery

overlooking the Dornoch Firth, it remains today what it has always been.

Virtually unrivalled for taste. And, hardly surprisingly, in somewhat limited supply.

Since 1894, however, the subtle pleasures of Glenmorangie have been available on a more generous scale.

It is to be found in a blended whisky called Highland Queen.

Produced very slowly, using time-honoured, not to say old-fashioned methods, Highland Queen contains a very high proportion of malt whisky.

It is, in short, to ordinary blends what Glenmorangie is to ordinary single malts.













Increasing  
pressure on the  
Polish  
economy, page 21

Stock markets	
FT Ind 459.4 down 8.0	FT Gilts 68.85 down 0.19
Sterling	
52.4090 up 42.5 points	Index 81.6 up 0.4
Dollar	
Index 88.4 up 0.4	DM 2.0802 up 82 points
Gold	
\$524.50 up \$7	
Money	
3-mth sterling 14 1/4-13 1/4	
3-mth Euro 5 17 1/2-17 1/4	
6-mth Euro 5 17 1/2-17 1/4	

## IN BRIEF

Sterling at  
highest level  
for 5 years  
against mark

The dollar and the pound continued to strengthen against other currencies on the international money markets yesterday. Sterling's effective rate against a basket of currencies rose 0.4 to its highest level for five years. The pound even managed a rise of 42 points against the dollar, to close at \$2.4090.

Although both currencies established new peaks in several continental centres, there appeared to be little official intervention to stem the movement. Against the lira, the dollar reached its highest level. It also advanced against the mark amid continuing pessimism about prospects for the German economy.

New Abbey National  
'granny bonds' issue

Abbey National Building Society is to replace its Sixty Plus Bonds with a new issue on Saturday.

The new issue will be less attractive in yield terms, offering a guaranteed 2.5 per cent over the ordinary share rate of 0.25 per cent after basic rate tax (equivalent to 13.2 per cent gross) compared with a 3 per cent guaranteed differential for those who stay the six year course on the present issue. Maximum holding will be increased to £5,000 against the £3,000 limit on the current bonds.

## Waste heat project

Six cities have been recommended for further study as potential sites for supplying waste heat from power stations by underground pipeline to homes, offices and industry. They are Glasgow, Newcastle, London (Central and East), Sheffield, Belfast and Liverpool.

## £180,000 for Mr Coral

Mr Nicholas Coral, chairman of Coral Leisure Group which was acquired by Bass at the end of last year, has resigned from the board and received severance pay of £180,000.

## Higher savings limit

The limit which may be paid each month into the National Savings index-linked savas-you-earn third issue will be increased from £20 to £50 from May 1.

## Littlewoods cutback

Littlewoods, the mail order company, is to make several hundred staff in London, Greater Manchester and Liverpool redundant. The company says that only 250 full-time and 100 part-time staff will lose their jobs but union officers claim that 1,550 are affected.

## Wall Street lower

The Dow Jones industrial average closed 6.91 points down at 942.58. The S&P 500 was 12.5311. The FT was 459.4.

EEC 'fair trade'  
investigation  
will delay £990m  
Leyland cash

From Michael Hornsby

Brussels, Jan 28

The additional state aid of £990m for BL announced by the Government earlier this week is to be held up for two months while the European Commission examines its compatibility with EEC fair trade rules.

In a related move, it was disclosed that Mr Wilfrid Martens, the Belgian prime minister, made a last-minute appeal here today to Mr Thatcher to postpone the decision to close BL's Belgian assembly plant at Seneffe, south of Brussels.

Sir Peter Wakefield, the British ambassador to Belgium, was summoned to the prime minister's office this morning and asked to deliver a message to Mrs Thatcher. This was understood to state that it would be "desirable" if the closure decision could be delayed for at least a month.

Mr Martens's message stressed the Seneffe plant's good productivity record, its strike-free labour relations over 17 years, and the drastic impact the closure would have on an already depressed region where there are no other jobs.

Similar points were made earlier in the week by a trade union delegation from the Seneffe plant in talks with senior officials of the social and industrial affairs departments of the European Commission.

The trade unionists argued that given time, a purchaser for the plant could be found, and they mentioned Datsun of Japan as a possible buyer. But the company said today that all attempts to find a purchaser had proved fruitless.

There is speculation that the

decision to close the Seneffe plant might influence the Commission's assessment of the British Government's latest huge injection of funds into BL.

It is noted that Viscount Etienne Davignon, the EEC's commissioner for industry, is a Belgian, and that the commission responsible for fair trade, Mr Frans Andriessen, comes from Belgium's Benelux neighbour, Holland, where BL also has interests.

"So far, we have not been given any detailed reasons for this aid. We will need to be satisfied that there is a genuine restructuring plan if these payments are to be approved," a spokesman for the Commission said.

In essence, the Commission must be satisfied that the £990m will turn BL into a profitable and self-sustaining company within a reasonably short time, and not merely support a lame duck at the expense of other European car manufacturers.

Under Articles 92 and 93 of the Treaty of Rome, the European Commission is empowered to "keep under constant review" all grants of government aid by member states. If it is satisfied that such aid is "not compatible" or "is being misused", the Commission can prohibit or amend it.

If the state concerned failed to comply, the case goes before the European Court of Justice. The offending government may appeal, but then the European partners for support and ask them to overturn the Commission's instructions. This would require a unanimous decision of the EEC's Council of Ministers.

Belgian unrest, page 20

Economic notebook, page 21

Belgian bitterness over  
Mini plant closure

By Edward Townsend

BL confirmed yesterday that it was closing its Mini assembly plant at Seneffe, near Mons in Belgium with the loss of 2,000 jobs. A further 225 workers at Cowley near Oxford, who pack kits for the Belgian plant will also be made redundant.

There is considerable bitterness in Belgium over the Seneffe closure and anti-BL feeling is running high among the workers there, some of whom have occupied the plant. Some newspapers yesterday described it as "blackmail" BL's threat to close down the distribution section of the plant as well if there was continued unrest.

The Seneffe closure, to take place in March, had been under consideration for some months as the BL board formulated its plan for further retrenchment and the concentration of car assembly in the United Kingdom.

BL's closure costs in Belgium, where statutory redundancy payments are high, are expected to be more than £200m (Belgian francs £25m) and will come from the £320m that has been earmarked in the corporate plan for extraordinary and exceptional expenditure during the continuing restructuring of the company.

In a statement to the Seneffe works council yesterday, BL

management stressed that in the last three years 33,000 jobs had been cut throughout the company and three factories closed. The Belgian plant was said to have made a loss of 55m francs (£688,000) in 1978 and 132m francs (£1,650m) in 1979. Losses for last year were expected to be considerably higher.

Workers were told that 500 employees in the plant's pre-delivery inspection and distribution operation, which handles all BL car exports to Europe, would not be affected.

The Seneffe factory was acquired by the then British Motor Corporation in 1965 from an importer of Morris and MG vehicles as the main assembly base for European markets.

BL said that demand was insufficient to sustain production at both Longbridge and Seneffe. In addition, the company said that labour costs in Belgium were 61 per cent higher than in the United Kingdom, while Longbridge had achieved a steady improvement in productivity in the recent past which had reduced unit costs.

Production at Seneffe has declined rapidly in recent years from a total of 81,900 cars in 1977 to 37,500 last year. Because of reduced demand in the last quarter of 1980, Seneffe had been working about one week in four.

Last year BL sold about 100,000 cars in Europe, a 7 per cent increase on the previous year. Imports of parts fell by 14 per cent to £991m.

## Record year for exporters

By Edward Townsend

Britain's motor industry achieved a record year for exports worth £4,251m last year, putting the industry firmly back in profit after the first deficit on foreign trade of £287m recorded in 1979.

Figures from the Society of Motor Manufacturers and Traders show that the value of exports of all motor products

rose by 5 per cent while the value of imports declined by 16 per cent last year resulting in a trade surplus of £539m.

Exports of parts and accessories once again proved to be the mainstay of the industry's exporters, accounting for £2,044m of the 1980 total, a rise of 7 per cent on the previous year. Imports of parts fell by 14 per cent to £991m.

## Bonn facing economic downturn

From Peter Norman

Bonn, Jan 28

The West German people were told today that they must expect a real drop in their standard of living this year.

Presenting what must be the gloomiest annual report on the economy ever drawn up by a West German government, Dr Otto Lambsdorff, the Economics Minister, told a press conference that while West Germany was to be a better state than most countries the "hard times" were over for the time being.

The government has forecast that in real terms gross national product will stagnate and could fall on average by one per cent in 1981. It expects consumer prices this year will rise by 4.5 per cent.

The current account balance of payments which, according to preliminary estimates, showed a deficit of 28,490m Deutsche marks (about £5,700m) last year, is likely to register only a marginal improvement with the shortfall declining to between DM22,000m and DM25,000m. An average level of unemployment of 1.2 million a month is considered unavoidable for the whole of this year.



Dr Otto Lambsdorff: easy times are over.

At a press conference in Bonn, Dr Lambsdorff made it clear that these forecasts were based on the expectation that matters would improve in the course of 1981.

The g.n.p. forecast, he said, assumed a marked upwards movement in the economy in the course of the year. The prices forecast also depended

on a general easing of inflationary pressures because a two per cent overhang was built into the consumer price index for this year.

The modest reduction in Germany's current account deficit presupposed rising exports and a reduction in imported energy costs, while inflationary wage settlements would push up the level of unemployment beyond the numbers forecast by the government.

There were positive sides to the German economy, the minister said. Industrial investment was holding up much better than after the first oil crisis of 1973. Whereas in 1974 real investments in new plant had fallen by 10 per cent, the drop expected for this year was only 2 per cent.

German companies were also in a better financial state than in 1979 as profits had not fallen so sharply. Moreover, Dr Lambsdorff said the Bonn government expected that Germany's exports would rise more swiftly than world trade, thanks in part to the devaluation of the mark on foreign exchange markets.

But he admitted that the forecasts were subject to risks. The world economy could be

subject to new disturbances, particularly on energy markets. Export markets could be lost, particularly in developing countries faced with greatly increased oil bills, and the growing wave of pessimism about the economy inside Germany could cause psychological damage and harm investor confidence.

The minister reaffirmed that the government would not introduce any new spending programme to stimulate the economy.

He underlined that so long as the current account balance of payments was so deeply in deficit there was no scope for a reduction in interest rates.

The main goal of economic policy in these circumstances was to try to remove the blockages that were hindering investment. The government could best stimulate employment by helping to remove the barriers in the way of new power station projects, housing schemes and the development of Germany's communications network.

But the outcome of the annual round of wage bargaining that is underway in German industry would be of crucial importance.

Mr Reagan lifts last controls on  
oil production and marketing

From David Cross

Washington, Jan 28

With the stroke of a pen President Reagan acted today to lift all remaining Federal controls on American oil production and marketing immediately.

"For more than nine years, restrictive price controls have held United States oil production below its potential, artificially boosted energy consumption, aggravated our balance of payments problems and stifled technological breakthroughs," Mr Reagan said when he signed a presidential order to eliminate price and distribution controls.

"Price controls have also made us more energy-dependent on the Opec (Organization of Petroleum Exporting Countries)—a development that has jeopardized our economic security and undermined price stability at home," he added. The ending of price controls

was a positive first step towards a balanced energy programme—a programme free of arbitrary and counter-productive constraints—one designed to promote prudent conservation and vigorous domestic production.

Today's move, which was promised by Mr Reagan during the election campaign, is not as dramatic as it would first appear. Nearly two years ago President Carter decided that price controls should be phased out gradually and they now affect only some 15 per cent of the crude oil produced by American refineries and 25 per cent of the crude oil produced in the United States.

If Mr Reagan had failed to act they would have ended completely by September of this year in any case.

Thus, the decision to bring forward the complete abolition of the controls by a few months is seen here as a largely symbolic gesture designed to point a new direction for American energy policy. Unlike Mr Carter, Mr Reagan is much more interested in stimulating the search for new oil supplies than in conservation moves.

In the short term, however, the change is likely to have some modest impact on the United States economy. At a press conference today, Mr James Edwards, the new Energy Secretary, said petrol prices at the pump would probably rise between 3 and 5 cents a gallon from the current level of some \$1.30 to \$1.40 (\$4p-5p).

Moreover, the move would probably help the government with its revenue raising problems to the tune of some \$3,000m (£1,244m) to \$4,000m in taxes from the oil companies. The saving in consumption was likely to total between 50,000 and 100,000 barrels of oil a day, Mr Edwards said.

£16.8m bid  
for 'Golly'  
jams group

By Peter Wilson-Smith

Avana Group, the Cardiff-based food manufacturer headed by Sir Julian Hodge, has launched an unwelcome bid for Robertson Foods, the makers of 'Golly' jams.

Taking advantage of its high share price, Avana is offering three of its own shares for every four Robertson shares. After the new Avana closed 20p lower at 192p valuing Robertson at £16.8m or 144p a share. Shares in Robertson rose 41p yesterday to 140p.

The bid follows talks a week ago between the two companies at which Robertson said it wished to remain independent. Mr Christopher Robertson, chairman, said he had hoped that was the end of the matter and the bid was unwelcome. "Obviously we must consider it, but we are not enamoured by the figure," he said.

A formal statement from Hill Samuel, Robertson's merchant bankers, advised shareholders to take no action until the board made a further announcement.

Besides making jams, Robertson is the second largest confectionery manufacturer in Britain and has interests in cakes and canned foods. It made pre-tax profits of £2.5m on £55m sales in the year to March 1980 but interim profits to September were down from £1.1m to £750,000.

Financial Editor, page 21

## Events leading up to Lonrho bid

1976: SUITS sells 20 per cent of shares to Sir Robert Hayley

March 1977: Lonrho buys control of SUITS, which has 10 per cent of Fraser

September 1977: Lonrho buys 20 per cent of Fraser from Carter Hawley Hale

November 1977: Lord Duncan Searles, Lonrho director, appointed to board of Fraser

April 1978: Lonrho bids for remainder of SUITS

May 1978: SUITS bid referred to Monopolies Commission

July 1978: Sir Hugh fined for accounts omission and share dealings

March 1979: SUITS bid cleared by Monopolies Commission

May 1980: Sir Hugh sells 3.5 million Lonrho shares

May 1980: Lonrho attempts to put bid of its directors on the table

June 1980: Lonrho moves to increase Fraser dividend and its board membership defeated

July 1980: Warburg's asks Sir Hugh to resign as chairman

August 1980: Mr Rowland voted to replace Sir Hugh as chairman

November 1980: Fraser announces sale of Lonrho to D. H. Evans

December 1980: Lonrho requisitions special shareholders' meeting

January 1981: Lonrho opposition to D. H. Evans deal defeated. Lonrho bids for Fraser

occupying his office again very soon. If it had not been for Professor Smith we would never have bid."

Asked if the Fraser directors who voted Sir Hugh out would be dismissed if the Lonrho bid goes through, Mr Rowland said: "I imagine they will want to be out."

Sir Hugh said he had no regrets, and looked forward to what he called "the same ship" as Mr Rowland. He said: "I will stand aside with the trusts (which account for 3.54 per cent of the shares) and let the shareholders decide."

"I am delighted to find out that my loyal and wise friends among the directors, some of whom I have known for 26 years, it is very interesting."

Sir Hugh remains on the Fraser board as a director. He is due to take up the chairmanship of Harrods at the end of the week.

Before the meeting, Sir Hugh said that if he lost the vote he would requisition another special meeting, asking the shareholders to reinstate him.

He now says: "We will have to wait and see what happens."

Mr Humphries, the man who emerged as new deputy chairman was absent from yesterday's meeting for health reasons. Mr Philip Hawley, an American Fraser director, flew from California to attend, but abstained from voting.

He said later: "I did not vote because I do not feel sufficiently well informed. I do not know Professor Smith and I am not in a position to comment on his professional qualifications."

The City has been expecting Mr Rowland to bid for House of Fraser for almost three years since his takeover of Scottish and Universal Investments brought him a further 10 per cent of the shares to add to the 20 per cent he bought from Carter Hawley Hale, Mr Hawley's company.

Asked later if he thought Lonrho would win, Mr Rowland said: "If we win? We are bound to win sooner or later."

Financial Editor, page 21

Hambros  
resigns as  
BPC  
adviser

By Our Financial Staff

Hambros has resigned as financial adviser to the beleaguered British Printing Corporation after only four months. The ban said that it was "no longer working for BPC".

It is thought that during this short period as adviser, Hambros had been looking at ways of reconstructing the group financially.

Last July in a "down raid", Pergamon Press, Mr Robert Maxwell's private publishing group, acquired 29.5 per cent of BPC. In October Mr John Nott, the Secretary of State for Trade at the time, announced that the share deal would not be referred to the Monopolies Commission.



Mr Robert Maxwell: Understood to have been seeking to join the BPC board.

The BPC board complained about the Maxwell purchase to the Office of Fair Trading. But a Monopolies Commission reference was abandoned and Mr Maxwell commented: "I now await the board's response to my invitation to hold a dignified discussion on how to put this company right."

Mr Maxwell is understood to have been seeking to join the BPC board. He had apparently clashed with Hambros in the course of discussions.

It is not clear what role, National Westminster, BPC's main banker, are playing in the attempts to put the company on a sounder footing. But it is thought that it hoped to avoid any further clash between those favourable to Mr Maxwell and those who were against him joining the board.

## Sick pay protest

The Confederation of British Industry joined in engineering employers' protests about government proposals to change sick pay arrangements. It says the proposals would add more than £1m a year to payroll costs for some companies.

Cooperation refused for  
Engineering Council

By Derek Harris

Leaders of the engineering profession yesterday refused to cooperate in the operation of the Engineering Council, the new governing body proposed by Sir Keith Joseph, Secretary of State for Industry. They objected to the Department of Industry's latest draft charter for the new body.

Negotiations have already taken more than three months and this latest hurdle means that Sir Keith faces serious delay in launching the council and could even prevent it being able to dispense professional titles such as that of Chartered Engineer.

The Department of Industry is probably still hoping to achieve broad backing for the council through further negotiation but the profession's refusal to cooperate demonstrated the differences of views of the two parties.

The statement came from the presidents of the 16 engineering institutions together with the Council of Engineering Institutions, the present governing body which would be largely superseded by the new council. The council is at present responsible for conferring titles and this power could pass to the Engineering Council only by the former body giving it up voluntarily.

The presidents and council had agreed unanimously that the profession "would not be able to cooperate" with the Engineering Council if constituted as was proposed at present.

The institutions, which are often divided, have closed ranks in opposing the new structure because the latest round of negotiations has elicited few concessions from the Department of Industry.

Under the proposed charter the new council would lack the independence from external interference that is required of a professional engineering body.

It would carry no assurance of improving or even maintaining professional engineering standards, and it failed to take advantage of the experience and expertise of the professional institutions. It was unlikely to command the support of the institutions' 200,000 members.

But the profession made clear it had not turned its back on further negotiations, being willing "to continue to seek a satisfactory solution."

Although the Department of Industry has made further changes in the final draft of the charter the profession is regarding them as insignificant in minimizing ministerial influence over the council.

The issue is how the profession would be allowed to influence the Engineering Council, although two thirds of the council's governing body will be professional engineers.

Sir Keith and his advisers seem loath to move much further in that direction although they seem likely to negotiate the course of a possibly long-drawn-out negotiations rather than going ahead without the profession's backing or putting the whole project on the shelf.

## Bottle of Scotch likely to cost about 30p more from end of February

## Spirits sink as the price of a dram rises

The shop price of a bottle of Scotch is likely to rise by about 30p at the end of next month, after a round of price increases decided by most of the big distilleries.

The rises, which are blamed on higher costs, follow falling whisky consumption at home and abroad which has led to short-time working within some sections of the industry.

The gross wholesale price of a case of 12 bottles of Bell's—the most popular whisky in Britain—is to rise by £4 on February 9. Teacher's Highland Cream will increase £3.50 to £65.14 around the same time, and Distillers are adding £3.40 to the cost of a case of White Horse and John Barr and £3.90 on Haig, Dewars, Buchanan

Blond and Crawford Three Star from February 24.

The distilleries have no control over the retail price of Scotch, but because of falling sales, it is likely that some retailers will absorb part of the increases, at least initially. The rises are likely to lead to an overall retail increase of about 30p per bottle.

The Distillers' Company said that the rise was necessary to maintain wholesale margins. "We experience rising costs just like everybody else, and we need to keep up our margins in these difficult times," a company spokesman said.

Last increase occurred a year ago when most distilleries put on around 20p a bottle. The March Budget added a further

50p on to the retail price of a bottle of whisky and helped to accelerate the downward spiral of consumption which has led to depression in a traditionally buoyant sector of British industry.

The whisky companies have already started their propaganda campaign aimed at warding off further duty increases in the Budget. The Scotch Whisky Association claims that last year's duty increases cost the Exchequer £71m in lost revenue from spirits in the first seven months of the financial year.

The amount of spirits drawn from bond on which duty was paid during that period fell by 23 per cent on the same period of 1979, and domestic consump-

tion in the United Kingdom is thought to have fallen by between 10 and 12 per cent last year.

The distillers may hope that the latest increase will dissuade Sir Geoffrey Howe, the Chancellor, from seeking again to penalize the drinks sector.

There has been growing pressure from the health lobby to maintain high drink prices on the grounds of the damage that alcoholism causes.

But more worrying for the distillers is the fall in export volume of five per cent last year. The most disappointing results were experienced in the United States where there is reported to be a growing move away from spirits to wine.

David Hewson

## PRICE CHANGES

Rises	
Andronic	1p to 4p
B'n Mink	21p to 200p
Bremner	9p to 50p
Grippeur	12p to 144p
File of Fraser	22p to 141p
Int Thomson	15p to 299p
Roberson Foods	41p to 140p
Rand Mine Prop	10p to 250p
S. A. Land	17p to 223p
Vlakfontein	25p to 228p

Falls	
Dupont	3p to 134p
GUN	134p to 134p
Haden Carrier	9p to 188p
Kelsey Ind	5p to 145p
Lancard	2p to 27p
Norberg Exp	20p to 330p
Pritchard Svc	5p to 25p
Tate & Lytle	6p to 158p
T. Tilling	10p to 138p
Tube Invest	6p to 162p







BY THE FINANCIAL EDITOR

## Reliving history with Mr Rowland

An uncanny air of déjà vu clings to Lornho's assault on the House of Fraser. Almost a decade ago Mr Rowland cut a swathe through another board of directors—on that occasion his own—in order to regain domination of Lornho. He was backed in doing so by loyal small shareholders but he succeeded also in seriously embarrassing the Heath Government.

He has now bought into, needed, cajoled, harassed and finally bid for House of Fraser. The City stands by bemused and faintly in awe of events. But there is public disquiet about the situation and the possibility must be that the antics of Mr Rowland and Sir Hugh Fraser will again bring down the wrath of Whitehall.

The similarity to the "Lornho Affair" of the early 1970s becomes still more pronounced when the motivation of Lornho is taken into account. That earlier furore was started by Lornho's requirement for cash. It was generating plenty of profit

Hawley Hale which was shrewd enough to sell its stake to Lornho. So there is no need to doubt the eagerness with which Lornho would accept a price of more than 150p a share for its Fraser holding; unhappily this eagerness could be matched by a lack of takers.

### Lornho's position

As for Lornho's bid it could be a case of "heads I win tails you lose" for Mr Rowland. On paper at least, whatever the outcome of yesterday's assault it cannot be worse than financing a Fraser stake worth almost £70m returning less than 5 per cent in dividends.

Suggestions that the property revaluation at House of Fraser could lift asset value from below 170p a share to almost £3 could be exaggerated. But anything near this figure could mean Lornho adding something like £150m to net worth if successful at these terms.

The £150m cost of taking over Fraser may look huge against Lornho's own capitalization of over £250m, but that does not allow for the eccentric relationship between the group's stock market rating and its balance sheet.

Basing estimates on latest figures at the time of Lornho's autumn rights issue to raise £35m, the group has net debt of possibly under £300m—excluding £80-£90m export financing—against shareholders' funds of over £460m. Free cash could be close to £80m.

Of course City expectations are for Lornho's profits due next month to rise by almost half to around £125m on the back of booming returns in Africa. "Low-quality" these earnings may be, but they seem to have a habit of coming to Lornho's rescue when good old-fashioned British assets fail to produce the goods.

In the longer run of course department stores may be heading for extinction in which case Fraser's assets value could prove almost unreal. However, it is hard to imagine that Fraser's High Street properties could not be made to work as incidentally the controversial £29m D.H. Evans sale and leaseback deal shows.

Apprehension sent Lornho's shares down another 2p to 97p yesterday but the only real fear for Mr Rowland's loyal band, at least as far as this deal is concerned, must be that he will be chased up to much higher ground in the face of opposition. Disgruntled shareholders in Fraser may yet prevent this, though by bailing out at an exit price which could be around 18 times earnings on profits due to come out in April.



Professor Roland Smith, the new House of Fraser chairman after yesterday's meeting.

overseas but was unable to remit it back to his country. A frenzied programme of United Kingdom acquisitions followed in the mid-1970s.

However, the recession has upset the earnings ability of those companies, so Mr Rowland's new buccannery venture again seems to be aimed at restructuring Lornho's balance sheet. Meanwhile the sheer extravagance of his stalking of House of Fraser, impossible in the years of regulation and restriction after the last battle, has been implicitly sanctioned by the political mood.

But has Mr Rowland exploited a mood and created a monster? For buried somewhere beneath this recent history of corporate brutality there is an indisputably important public company which has been deprived of its stability by an extraordinary clash of personalities. Yet who is left to protest? The institutions argue that the fall is now out of their court: a bid is on the table and shareholders are free to take view.

Should the Government intervene? The obvious weapon would be a Monopolies Commission reference, but Mr Rowland presumably feels relatively relaxed about his after his success with the SUITS reference.

As it happens second thoughts had House of Fraser shares retreating to well below Lornho's cash price yesterday and one can obviously see the fear of a Monopolies reference. There is, after all, a precedent in the referral of the Boots bid or Fraser in November, 1973.

But even leaving this aside it does little to make Fraser look attractive to third parties, or example, property companies. The biggest of these are unlikely to be interested because at £200m, the value of the Lornho offer, Fraser is priced above the market capitalizations of all but the top concerns and these have evinced no interest in taking on the problems of running department stores, let alone those at Fraser.

Clearly, for a would-be developer to go through the entire Fraser portfolio from Perth to Tunbridge Wells would be a major task, and the suspicion must be that Harrods and stores in Tunbridge Wells apart, a lot of the others would simply be encumbrances. Planning difficulties would be numerous and who would want to develop a decaying city centres? It is well known that scores of Fraser stores have been losing money, and the established view, obscured temporarily by the influx of American and Arab visitors, is that the department store business is in irreversible decline.

There must be a possibility of a large international business such as BAT or Consolidated Goldfields pondering Fraser as an addition to United Kingdom profits, which was, after all, why Lornho got involved. There could, one supposes, be a foreign bidder but presumably not Carter

## Economic notebook

### The last of the big spenders

"Unbelieving monetarists" was the phrase used to describe the Treasury under the last Government and as it is so often the case, unbelievers bring a special dedication to their task.

Sir Keith Joseph has drifted into becoming an "unbelieving interventionist" at the Department of Industry. The extent to which this process has led him to subvert the whole logic of the Government's policy was made extraordinarily clear in his unhappy defence on Monday of the decision to give BL the £990m it wanted to finance its corporate plan.

This defence is the same as BL's. The company really made great strides last year, but was held back by a high exchange rate. "The strong pound is the main reason" for the need to ask for Government funding additional to that in the 1980 plan" BL said. This view was endorsed publicly by Sir Keith.

It opens the way for endless demands from state-owned industries. The BL plan assumes that the pound will have an average exchange rate of 74 on the Bank of England index this year compared with its present level of 81. (This index is calculated by the Bank in a way which takes account of the trading importance for the United Kingdom of the world's major currencies.)

If the Government believes that, it is keeping very quiet about it. If it does not, then the same logic which gave BL £990m would justify giving it further help. If the pound stays at its present level, £990m will not be enough.

Will Sir Keith go on television, then, to explain why he is responding favourably to the telegram from Sir Michael Edwards saying: "Corporate plan working perfectly. Send more money?"

Nor does it stop at BL. The British Steel Corporation needs a further £100m to finance its plans. The pound is something like 10 per cent too high for BSC to compete with German producers. Rolls-Royce build its whole corporate plan around a falling exchange rate. Further help is now needed.

So far, Sir Keith and the Government have been fairly discriminating in at least one sense. The private sector has received little or no help in coping with its own problems of living with the exchange rate. Companies have merely received per talks about "the need to live within our means".

This policy is now clearly breaking down. A major programme of industrial help is being proposed within Whitehall, including some straight cash grants. Where BL leads, Talbot will not be far behind.

### Package of measures

But it also involves more substantial forms of industrial aid. The success of the 1975 Budget, which was changed to help industry even when stock levels fall. There is a good chance that the payment of regional development grants will be speeded up. A whole package of measures, some of which will cost government money, are under discussion.

All these things will be paid for by increasing the tax on individuals. This has a logic of a kind behind it. The fashion for relief provisions of government runs as follows: North Sea oil has imposed a quite unexpected revaluation on sterling. There is nothing we can do to stop this. Attempts to do so would mean the loss of our grip on the money supply or will lead to a sharp depreciation. Either way, we shall be faced with a surge in inflation. The right solution, it is argued, is to do something quite different. This is to help those sectors of the industrial base of the country which are worst hit by sterling's appreciation.

On this basis, Sir Keith is doing extremely well. But there are two things wrong with this approach. One is that the claim that nothing can be done about the exchange rate is false. A lot could be done were it not for the fact that the Government is hooked on the anti-inflationary fix which an overvalued exchange rate provides.

The second failure of analysis comes from not realizing where this approach leads.

Let us assume that it becomes part of government policy to protect the corporate sector from the impact of exchange rate appreciation. It can do this through the route, apparently favoured by Sir Keith Joseph, of stepping up public spending. Or there could be cuts in corporate taxation.

But, if the Government believes in controlling the growth of the domestic money supply, this leads to one of two equally unpalatable courses of action. One is to raise taxes on the corporate sector, which seems to be its present policy. Yet this makes nonsense of Sir Keith's vision of supply side economics.

### Interest rates

Paying out government assistance to industry which is financed by taxes on individuals is not what "The Right Approach" to the economy is meant to be about. It is a big extension of the Government's role in the economy than the imposition of import controls to help industry.

The other option for the Government would be to go on spending money, but to keep tight control of the money supply by maintaining high levels of interest rates. This, too, is completely out of line with what the Government says it wants to do.

It is also against the background of a predetermined monetary target, a recipe for a vicious circle. High interest rates lead to a high exchange rate. This leads to the need for a massive increase in interest rates which requires higher interest rates. In turn we get a higher exchange rate and the process goes on.

What has happened is this. The Government's obsession about not intervening in the foreign exchange markets has become an engine which risks breeding unlimited amounts of government support for industry. This assistance will not be the kind which will provide the cash which is needed for a sound recovery in the second half of the decade. Instead, it will simply be used to cover current losses in traditional industries.

If this help is not given, the industries will close down and unemployment will rise. There are those who believe that North Sea oil will lead inexorably and desirably to the closure of big chunks of our manufacturing industry. Were it not for the fact that economists and the Department of Industry do not seem to go together, this is the choice of which Sir Keith would be aware.

The tragedy is that there is a perfectly sensible course which could be followed. This is to accept the economic policy which deals with the things which it can cope with, like the overall level of demand. Industrial policy deals with quite different things, such as imperfections in the market.

If that attitude were adopted there would be no shortage of projects on which Sir Keith could spend money and he would also be able to justify a good slice of help for BL.

Instead, he has become the last of the big spenders, while preaching the principles of cutting spending. A large part of Sir Keith's thinking on economics has revolved around the idea that the consumer should decide in the market. Economists who analyse consumer behaviour have lost sight of the idea of revealed preference, which comes down to the idea that you judge what people want by what they do. On that basis, the Secretary of State for Industry makes more of his colleagues look like fervent "dries".

David Blake

## Mounting pressures on Poland's economy

Poland's tangled financial problems will have to be put back on the international agenda soon. It is the political aspects of the crisis—the strikes and the internal squabbles within the communist party—which hog the television screens and acres of newspaper day after day. Much less attention has been paid to the economic instability of the country. Yet it is this which has given rise to the present political upheavals and the problem will not go away.

The conflict between the Solidarity union and the government over ending Saturday working is directly related to the economic problems which Poland is facing. The government claims that it cannot grant a five-day week outright, as agreed in Gdansk last year, because of the difficulties which this would impose on industrial production and because of the need to export.

Coal production, for example, has fallen sharply since the Gdansk agreements which gave miners important concessions in their working conditions. This has affected exports to such countries as East Germany, which traditionally relies on Polish coal.

The problems in Poland's farming areas are adding to the difficulties. If the country is ever to get out of its present plight it will have to rely heavily on improved agriculture. Last year Poland had to import some 8 million tonnes of grain and more than 1 million tonnes of animal feed. The government hopes that eventually it will be able to halve grain imports, thereby giving the economy a much needed breathing space.

In fact, in such conditions the balance of trade would move into a comfortable surplus and the whole question of international debts would take on a less forcing aspect. But that hope is forlorn. There is no prospect of much improved food production. Because of crop failures last year and a poor planting season the spring harvests this year will again be disappointing.

Moreover, the present struggles in the countryside for the right to form independent peasant unions is in the short term also affecting food output. Until some agreement is reached between the government and the peasants on much needed reforms, real improvements in agriculture will not take place. This again is likely to have an adverse impact on Poland's foreign trade.

Last year Poland was budgeting for a modest surplus on its trade account, but it has missed the target, possibly by a wide margin. Towards the end of last year Polish officials were predicting a deficit of perhaps £500m, but western observers now believe that when the full figures are published the deficit could turn out to be more than £1,000m.

This year too, with industrial production still affected and with mounting debt obligations, Poland's foreign balance will still be largely in deficit. The State has made things somewhat uncertain by expecting to be in surplus in 1981, likely to remain in the red.

This is the background to the financial negotiations which will be taking place this year with western creditors. The present position regarding Poland's debts is shrouded in mystery and there is certainly no evidence that major negotiations are taking place at the moment.

But Poland now has some \$24,000m of debts to western creditors—excluding short-term commitments—and will this year be seeking some \$9,000m to \$10,000m, including money for repayment of debts coming up to redemption and fresh loans for imports. It is difficult to see how it will work out in practice.

The debts can be broadly classified into two categories—those which are owed to western banks and those which are backed by foreign government credit guarantee schemes. These operate in all western countries on lines similar to Britain's Export Credit Guarantee Department.

There are no figures available to show how much has been lent to Poland under the government guarantee schemes, but most observers believe that a large proportion of the total debt has been backed by such guarantees. Britain's own government-guaranteed Polish debt amounts to about £2,600m.

In the past two months representatives of countries in the Organization for Economic Co-operation and Development have held several meetings in Paris to discuss the question. Officially, nothing has emerged from these talks, which have been held in some secrecy, but more meetings are scheduled in the coming weeks. These are likely to take place between the credit guarantee organizations and Polish officials.

In Poland itself talk of a moratorium on debts or even rescheduling them has been officially rejected. This could in the end turn out to be the only feasible and realistic solution to the problem, but the Poles fear that such an outcome could lead to a slump in the country's credit rating.

So far the Poles have been punctilious in meeting debt repayments when these fall due. Even though commercial banks are wary of making further loans to the country, the repayments are all being paid on time. As a leading banker puts it: "So far they have honoured to the letter their obligations to commercial banks."

But no major international loan operation seems to be in preparation at the moment. Polish officials have certainly been talking to western banks but until the country's internal situation is clarified they do not seem to expect large new commitments from these private sources.

The banks in any case would, in this instance, follow the lead

of their governments. And the advent of the new Reagan Administration in the United States has made things somewhat uncertain. American banks have played a leading role in lending or arranging credits for Poland and they are likely to wait and see what the attitude of the new administration is going to be.

The Carter Administration was by and large in favour of helping Poland, but it is not clear what the Reagan government will do. The Poles are hopeful. As one leading minister said to me: "After all, Republican administrations have historically proved better for us."

Meanwhile, some help for the beleaguered Polish economy has come both from the Common Market and from EEC countries. It is not at all clear how much the Soviet Union has lent to Poland in hard currency in the past few months, but most observers reckon that the aid has been substantial. Some estimates put it as high as \$1,000m.

But besides hard currency loans—a large proportion of which may well have been used to pay back western loans and preserve the credit of the government—there is the Soviet Union and the other Comecon countries have given direct aid in terms of food and other products.

The European Community as a group and individual European countries have been helping Poland. In December the EEC member countries agreed to supply Poland with foodstuffs at favourable prices. The overall agreement was for a total of about \$300m and since then several countries have sent their agreed share of subsidized exports to Poland.

The package included the sale, on credit terms of grain and meat from the Community's reserves. Britain, for example, is sending 1,000 tons of meat. In December the EEC member countries agreed to supply Poland with foodstuffs at favourable prices. The overall agreement was for a total of about \$300m and since then several countries have sent their agreed share of subsidized exports to Poland.

Britain has made available to Poland £30m line of government-backed credits, part of an interim aid arrangement for Poland agreed by the EEC. Half of the money is for refinancing existing debts and half for food purchases.

Germany guaranteed DM300m of credits for Poland of which DM70m was for food under the EEC agreement. But these are very much temporary arrangements to meet a critical situation. Most creditors, including the banks, are waiting to see how the internal situation develops in Poland. The attitude of the new American government will also be crucial.

The idea of a moratorium is gaining ground to treat what is likely to be an otherwise untractable situation. Even the Poles are becoming reluctant, the final deal that emerges could well avoid the world, while effectively including the substance of a comprehensive debt rescheduling package.

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## Business Diary: Gap in the Siemens saga • Abbey Natural

For the first time in its 133-year history Siemens AG, West Germany's leading electrical concern, no longer has a member of the founding family at the top.

The seventieth birthday today of Peter von Siemens marks the end of a career with the company of nearly half a century. Von Siemens has just stepped down after a nine and half year stint as Siemens supervisory board chairman.

He shared the running of the group with Bernhard Plettner, who, at the age of 66, now moves up from being chairman of the managing board into Von Siemens' shoes.

Plettner is an engineer by phrasing and will be replaced by Kasper as chief executive of the group. But these changes do not necessarily mean that the family is losing control of the company. It still has an estimated 10 per cent of Siemens' capital of 1,910m Deutsche marks (about £390m) and there is a crown prince.

Plettner, who has been aptly described as the major-domo of the Siemens family, is likely to succeed as regent until Peter's son, the 43-year-old son of the newly retired supervisory board chairman, is ready to take over.

At present Peter Carl is a senior manager with the company, but, insiders say, it will be some time before the call comes.



Oh, I agree. Labour's in disarray and so are the Conservatives, but what proof have you that a Centre Party wouldn't also be in disarray?

Abbey National chief general manager Clive Thornton has decided to sell some of the assets of this, the country's second biggest building society.

There is no need for investors to worry, though. The assets are literally "liquid". What is more, in view of the building societies' sober image, the liquid is water.

Abbey National House, the society's headquarters, are in Baker Street, London, and like many another building on that thoroughfare it is claimed to be on the site of Sherlock Holmes' chambers at 221B. What is more, that number never existed, that is.

Abbey National's HQ, is how-

ever, incontestably on the site—or 600 ft above it—of an artesian well. The staff have been drinking the water from it for years and now Thornton and Abbey National plan to bottle it under the name "221B" and test market it through an hotel chain.

Thornton said yesterday that the water had been pronounced "very good" after tests in Germany, although whether or not this was at the Reichenbach Falls I am unable to say.

I tried to think what Holmes would have made of all this, if pressed by the good doctor, and the best I could come up with was: "Alimentary, my dear Watson."

It also lists "safe" sex shows, and advises travellers to eat a good square meal before boozing, never to take a cheque book and not to go alone.

Ernie became a millionaire yesterday at the ripe old age of 24, when the Department of National Savings announced that the value of unclaimed Premium Bond prizes exceeded £1m for the first time since the draw in June 1957.

There are 27,522 prizes outstanding, whose total value is £1,007,075. The highest prize is that of £5,000 and 26 of £1,000, although most are of £25 and £50.

The cash, the department told me yesterday, cannot be reinvested in Ernie because there is no time limit for the claiming of prizes. The winner can have them at any time, however belatedly. This is just as well, as some of the money has been sloshing around since Year One.

So far, Ernie's biggest prize—the monthly £250,000—has always been claimed, as have the weekly £100,000 and £50,000 and £25,000 jackpots. More than 27 million prizes worth over £72m have been paid out. Unclaimed prizes are listed quarterly in the London Gazette Supplement and at main post offices.

To the question "Do you have, or would you print, a foreign language guide to Soho for businessmen?" the GIC replied: "No, and we would be in trouble with our ratepayers if we did."

Westminster Council said that its only foreign guide was a set of parking instructions in Italian, French, German and Arabic and the London Tourist Board said: "Soho is part of the business scene, but we don't publish anything like the Hamburg guide."

I put the question to them after seeing the English edition of Hamburg City Council's guide to their fair city, which includes a section on the Reeperbahn.

The basic rule is to realize that one cannot buy a luxury cabriolet for the price of an old second-hand Mini. Avoid the cheap bars and low class hotels around the Hans-Albert-Platz and on the fishmarket.

In the smart contact cafes like the Lausen and the Mehler, in bars of such hotels as the Luxor, Nobistor, Clubhotel, Columbus and Princess you can meet excitingly beautiful and well-dressed girls and you will have no trouble with these lovelies.

It also lists "safe" sex shows, and advises travellers to eat a good square meal before boozing, never to take a cheque book and not to go alone.

Considering how little Roy Jenkins is supposed to have helped himself as a politician by his taste for high life and fine claret, some were surprised to see that other under-employed politician and would-be Centrist, Edward Heath, singing for his supper at an ostentatious event at the Mansion House this week.

The occasion was a dinner to launch a Hennessy brandy called Paradis, which is to retail at the exceptional price of £65 a bottle.

Heath's speech, nominally on the theme of European unity, was of no great profundity, but he did suggest that to cement Anglo-French relations Paradis should be spelt with a final "e", like Concordia.

Lord Windlesham, Heath's Minister of State for Northern Ireland and subsequently Lord Privy Seal and Leader of the Lords, is a direct descendant of the Richard Hennessy who founded the company.

The British Airways office in Buckingham Palace Road, London, has received from a publisher of directories a parcel of books addressed to "Birmingham Palace Road". Perhaps the sender should consult his own directories.

Ross Davies

## Raeburn Investment Trust Limited

Year ended 30th November	1980	1979
Value of net assets	£57,375,022	£41,850,104
Gross revenue	£3,323,450	£3,391,676
Per 25p Stock unit:-		
Net asset value	215.6p	157.5p
Earnings	6.94p	5.81p*
Dividend	6.35p	5.45p*

\*excluding special dividends of 0.90p

The Chairman, Mr D. Meinertzhagen, comments:

In contrast to many aspects of the UK economy itself, the London equity market was buoyant and rose by some 33 per cent, during the year. The same can be said of Wall Street where the Standard & Poors composite index rose by 32 per cent. The net asset value of our ordinary stock units has risen by 36.9 per cent, to 215.6p.

Gross revenue declined slightly, largely because of a reduction in deposit interest received. However, it has proved possible to consolidate the strong advance in revenue achieved in 1979 which included special non-recurring dividends following the ending of dividend controls. Earnings per ordinary stock unit have in consequence risen to 6.94p against 5.81p excluding the non-recurring income of 0.90p.

While it is unlikely that the company's revenue will continue to improve in the manner of the last two years and may even decline, given the present economic difficulties and probably lower interest rates, the revenue reserves remain considerable and with this in mind, the Board are recommending a final of 4.35p which together with 2.0p paid at the interim stage, makes a total of 6.35p. Thus, shareholders will receive a payment which matches last year's dividend including the special dividend in respect of non-recurring dividends received.

Copies of the Report and Accounts are available from the Secretaries, Lazard Brothers & Co. Limited, 21 Moorfilds, London EC2P 2HT.







[illegible]

The one factor likely to have caused any disruption was the issue of the new convertible "rap" stock.

In the event, this proved to have been just about 50 per cent subscribed, according to market estimates.

The dollar and sterling went from strength to strength yesterday on active but rather nervous foreign exchange markets.

At the close, the dollar was easing back on some transatlantic profit-taking, still registered appreciable gains against most major currencies.

• Sterling provided the exception reaching another record level as a result of its effective exchange index of 81.6 compared with 81.2 overnight.

The pound's strength against the dollar was emphasized by its advance against the D-marks moving over the Dm 5 level for the first time in 5 years to finish at 5.0225 (4.9750 overnight).

Although below its best level of 4.95, the pound still eaded 42.5 points in front at 2.4690 compared with 2.40475. North Sea oil and the high UK interest rate remained principal influences behind sterling strength.

New York, Jan. 23.—Prices on New York Stock Exchange ended as the NYSE index lost 10 to 74.78 and the average per share 19 cents. The Dow Jones industrial average lost 6.91 to 225.58 and declines led advances to 675.

Australia	2.0355-2.0335
Bahrain	0.9055-0.9085
Finland	9.4785-9.5185
Greece	124.80-126.50
Hongkong	12.5660-12.6360
Iran	Nr available.
Kuwait	0.6536-0.6565
Malaysia	3.3270-3.3570
Mexico	35.35-37.06
New Zealand	2.5690-2.5230
Saudi Arabia	8.0020-8.0320
Singapore	4.9850-5.0165
South Africa	1.8065-1.8215

	Market rates (day's range)	Market ratios (close)		
New York	January 26	January 26	1 month	3 months
Montreal	\$2,409.00-130	\$2,409.00-130	0.67-0.78 disc	0.72-0.82 disc
London	\$3,867.00-870.00	\$2,870.00-870.00	0.75-0.75 disc	0.20-0.35c
Paris	54.40-60.1	54.40-60.1	0.75-0.75 disc	0.64-0.64c prem
Brussels	79.85-80.55	79.85-80.55	20-10c prem	33-15c prem
Copenhagen	15.31-47	15.43-45	35-25c prem	30-15c prem
Stockholm	4.77-5.40	5.12-5.32	20-10c prem	33-15c prem
Frankfurt	132.10-133.10	132.80-133.10	19c prem disc disc	10-15c disc
Lisbon	122.10-133.10	122.80-133.10	19c prem disc disc	11-15c disc
Madrid	233.50-234	233.50-234	19c prem disc disc	12-15c disc
Athens	233.50-234	233.50-234	19c prem disc disc	12-15c disc
Oslo	12.81-13.02k	13.00-13.01	15-10c disc	15-10c disc
Amsterdam	12.81-13.02k	13.00-13.01	15-10c disc	15-10c disc
Stockholm	10.91-95k	10.95-97k	220-225c disc	80-70c prem
Tokyo	485-50	493-43	220-225c disc	80-70c prem
Singapore	4.85-52	4.85-52	34-24c prem	34-24c prem
Zurich	4.85-52	4.85-52	34-24c prem	34-24c prem

Effective exchange rate compared to December 31, 1971, was 4.46:1 for the dollar.

	Bank of England Index	Morgan Guaranty Changes
Sterling	31.6	-22.4
US dollar	88.4	-5.9
Canadian dollar	79.8	-18.6
Schilling	143.3	+21.2
Belgian franc	110.2	+10.2
Danish kroner	99.1	-9.3
Deutsche mark	142.9	+37.6
Swiss franc	182.9	+74.4
Guilder	121.2	+16.4
French franc	94.6	-8.9
Lira	49.0	-53.2
Yen	146.4	+13.4

Ireland	1.7950-1.7980
Canada	1.1935-1.1938
Netherlands	2.2580-2.2605
Belgium	33.38-33.42
Denmark	6.39-8.4
West Germany	2.0795-2.0810
Portugal	54.80-54.95
Spain	81.80-81.90
Italy	986.50-987.50
Norway	5.39-5.40
France	4.7950-4.8000
Sweden	4.5450-4.5550
Japan	209.80-209.80

Bank of England MLR 14%  
 Last changed 24/11/80)  
 Lending Banks Base Rate 14%  
 Discount Mkt Loans 5%  
 Overnight: High 13% Low 13  
 Week Fixed: 13 $\frac{1}{2}$ -13 $\frac{3}{4}$   
 Treasury Bills (Disc.)  
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 18 Month 12 $\frac{1}{2}$ %  
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 50¢ Feb. \$558.00-50¢  
 50¢ Mar. \$562.00-50¢  
 50¢ Apr. \$566.00-50¢  
 50¢ May \$570.00-50¢  
 50¢ June \$574.00-50¢  
 50¢ July \$578.00-50¢  
 50¢ Aug. \$582.00-50¢  
 50¢ Sept. \$586.00-50¢  
 50¢ Oct. \$590.00-50¢  
 50¢ Nov. \$594.00-50¢  
 50¢ Dec. \$598.00-50¢  
 50¢ Jan. \$602.00-50¢  
 50¢ Feb. \$606.00-50¢  
 50¢ Mar. \$610.00-50¢  
 50¢ Apr. \$614.00-50¢  
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 50¢ Feb. \$990.00-50¢  
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 50¢ Sept. \$1,162.00-50¢  
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 50¢ Nov. \$1,170.00-50¢  
 50¢ Dec. \$1,174.00-50¢  
 50¢ Jan. \$1,178.00-50¢  
 50¢ Feb. \$1,182.00-50¢  
 50¢ Mar. \$1,186.00-50¢  
 50¢ Apr. \$1,190.00-50¢  
 50¢ May \$1,194.00-50¢  
 50¢ June \$1,198.00-50¢  
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 50¢ Dec. \$1,222.00-50¢  
 50¢ Jan. \$1,226.00-50¢  
 50¢ Feb. \$1,230.00-50¢  
 50¢ Mar. \$1,234.00-50¢  
 50¢ Apr. \$1,238.00-50¢

World grain prices are likely to continue rising throughout the 1980-81 season, according to the Organization for Economic Cooperation and Development (OECD).

A report by the OECD agriculture committee attributed the likely increase to the small Soviet harvest and the sharp fall in United States coarse grain output and said these factors were also likely to bring a sharp reduction in end-of-year stocks.

It quoted the Food and Agriculture Organization as saying that stocks were likely to fall to 207 million tonnes at the end 1980-81 compared with 244 million tonnes at end 1979-80.

The OECD said total production of coarse grains in its 24 member countries in 1980-81 was 1,200 million tonnes, and the Soviet harvest is well below target.

Quoting International Wheat Council figures, the report estimated 1980 world wheat output at 430 million tonnes.

	ECU currency limit against central rate <sup>a</sup>	% change from central rate <sup>a</sup>	% change adjusted <sup>b</sup>	divergence limit plus/minus
Belgian franc	36.7887	14.5488	+4.72	+0.52
Danish krone	17.7268	8.2839	+4.25	+1.53
German D-mark	2.48206	2.93437	+4.69	+0.40
French franc	6.5596	1.3663	+4.48	+1.12
Dutch guilder	2.74362	2.82439	+3.94	+1.28
Irish pound	7.88666	1.2688	+4.28	+0.87
Italian lira	1137.79	1.2688	+6.48	+2.28

<sup>a</sup> changes are for the ECU therefore positive change denotes wider currency.

<sup>b</sup> adjusted for sterling's weight in the ECU, and for the lira's wider divergence limits.

(%) calls, 18-19½: seven days, 17-18; one month, 18-19; three months, 17-17½; six months, 16-17.

Gold fixed: am. \$524.50 (an ounce); pm. \$523.50 close. \$524.50.  
 Kruggerand (per coin): \$538-542 (\$223.5-224.75).  
 Sovereigns (net w): \$133-135 (\$55-56).

European share prices was put provisionally at 146.32 on January 27 against 147.85 a week earlier.

1980/81	1980/81	1980/81
High	Low	High

[illegible]



## Stock Exchange Price Rally ends

ACCOUNT DAYS: Dealings Began, Jan 26. Dealings End, Feb 6. § Contango Day, Feb 9. Settlement Day, Feb 10.

6 Forward bargains are permitted on two previous day

[illegible]















